

#### MISSION

It is our mission to deliver quality healthcare to the residents of and visitors to Big Bear Valley through the most effective use of available resources.

#### VISION

To be the premier provider of emergency medical and healthcare services in our Big Bear Valley.

#### NOTICE AND CALL OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS WEDNESDAY, AUGUST 15, 2018

CLOSED SESSION @ 1:00 pm - HOSPITAL CONFERENCE ROOM OPEN SESSION @ APPROXIMATLEY 3:00 pm - HOPSITAL CONFERENCE ROOM 41870 GARSTIN DR., BIG BEAR LAKE, CALIFORNIA 92315

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors for the Bear Valley Community Healthcare District will be held on Wednesday, August 15, 2018 in the Hospital Conference Room. Closed session will begin at 1:00 pm and Open Session will begin at approximately 3:00 p.m.

A copy of the agenda is attached hereto.

Dated: August 13, 2018

Shelly Egerer

**Executive Assistant** 



COMMUNITY HEALTHCARE DISTRICT
It is our mission to deliver quality healthcare to the residents of and visitors to BigBearValley through the most effective use of available resources.

VISION

To be the premier provider of emergency medical and healthcare services in our BigBearValley,

#### SPECIAL BOARD OF DIRECTORS BUSINESS MEETING AGENDA Wednesday, August 15, 2018 @ 1:00 p.m. – Hospital Conference Room 41870 Garstin Drive, Big Bear Lake, CA 92315

(Closed Session will be held upon adjournment of Open Session as noted below. Open Session will reconvene @ approximately 3:00 p.m. –Hospital Conference Room 41870 Garstin Drive,

Big Bear Lake, CA 92315)

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)**-- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

#### **OPEN SESSION**

1. CALL TO ORDER

Rob Robbins, President

2. PUBLIC FORUM FOR CLOSED SESSION

This is the opportunity for members of the public to address the Board on Closed Session items. (Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

3. ADJOURN TO CLOSED SESSION\*

#### **CLOSED SESSION**

- 1. CHIEF OF STAFF REPORT/QUALITY IMPROVEMENT: \*Pursuant to Health & Safety Code Section 32155
  - (1) Chief of Staff Report
- 2. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION:\* Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 one (1) or more potential cases
- 3. HOSPITAL QUALITY/RISK/COMPLIANCE REPORTS: \*Pursuant to Health & Safety Code Section 32155
  - (1) Risk / Compliance Management Report
  - (2) QI Management Report
- 4. TRADE SECRETS: Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1

(1)	Hologic Service Agreement	(Disclosure 08/15/18)
(2)	Cannon Medical Systems Service Agreement	(Disclosure 08/15/18)
(3)	Clinical Management Consultants Agreement	(Disclosure 08/15/18)
(4)	Riverside Community Hospital Care Collaboration Agreement	(Disclosure 08/15/18)
(5)	Andy Meadors Service Agreement	(Disclosure 08/15/18)

- 5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION \*Pursuant to Government Section Code: 54957
  - (1) Chief Executive Officer

#### **OPEN SESSION**

1. CALL TO ORDER

Rob Robbins, President

2. ROLL CALL

Shelly Egerer, Executive Assistant

- 3. FLAG SALUTE
- 4. ADOPTION OF AGENDA\*
- 5. RESULTS OF CLOSED SESSION

Rob Robbins, President

#### 6. PUBLIC FORUM FOR OPEN SESSION

This is the opportunity for persons to speak on items of interest to the public within subject matter jurisdiction of the District, but which are not on the agenda. Any person may, in addition to this public forum, address the Board regarding any item listed on the Board agenda at the time the item is being considered by the Board of Directors. (Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

## PUBLIC RESPONSE IS ENCOURAGED AFTER MOTION, SECOND AND PRIOR TO VOTE ON ANY ACTION ITEM

- 7. DIRECTORS' COMMENTS
- 8. INFORMATION REPORTS

A. Foundation Report

Holly Elmer, Foundation President

B. Auxiliary Report

Gail Dick, Auxiliary President

#### 9. CONSENT AGENDA\*

#### **Notice to the Public:**

Background information has been provided to the Board on all matters listed under the Consent Agenda, and the items are considered to be routine by the Board. All items under the Consent Agenda are normally approved by one (1) motion. If discussion is requested by any Board Member on any item; that item will be removed from the Consent Agenda if separate action other than that as stated is required.

- A. July 11, 2018 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- B. July 2018 Planning & Facilities Report: Michael Mursick, Plant Director
- C. July 2018 Human Resource Report: Erin Wilson, Human Resource Director
- **D.** July 2018 Infection Prevention Report: Heather Loose, Infection Preventionist
- E. Policies & Procedures: (Summary Attached)
  - (1) Management of Patient with Malignant Hyperthermia (HM)
  - (2) Emergency Department
  - (3) Employee Health
  - (4) FHC/RHC
  - (5) Laboratory Administration
  - (6) Laboratory
  - (7) Nursing Administration
  - (8) Pharmacy Department
  - (9) Physical Therapy Department
  - (10) Plant Maintenance, Surgery
  - (11) Adult/Elder Abuse Policy
  - (12) Surgery Department
  - (13) Compliance

- F. Board of Directors; Committee Meeting Minutes:
  - (1) April 26, 2018 Planning & Facilities Committee Meeting Minutes
  - (2) July 03, 2018 Finance Committee Meeting Minutes

#### 10. OLD BUSINESS\*

- A. Discussion and Potential Approval of the Following Policies & Procedures:
  - (1) Conflict of Interest
  - (2) Board Members Code of Conduct
  - (3) Contracts & Agreements
  - (4) Public Participation at Board of Directors Meeting

#### 11. NEW BUSINESS\*

- A. Discussion and Potential Approval of the Following Agreements
  - (1) Hologic Service Agreement
  - (2) Cannon Medical Systems Service Agreement
  - (3) Clinical Management Consultants
  - (4) Riverside Community Hospital Care Collaboration Agreement
  - (5) Andy Meadors Service Agreement
- **B.** Discussion and Information/Update on Bear Valley Community Healthcare District Employee Benefits
- C. Discussion and Potential Approval of QHR Travel Expenses for QHR Compliance Program Assessment Not to Exceed \$2,000.000
- **D.** Discussion and Potential Approval of Resolution Number 18-455: Adopting a Proclamation for Don & Carol Bremer for the 2018 Humanitarian of the Year Award
- E. Discussion and Potential Approval of Supporting the Lakeside Loop and Submitting a Letter of Support

#### 12. ACTION ITEMS\*

#### A. Acceptance of QHR Report

Ron Vigus, AVP OHR

(1) August 2018 QHR Report

#### B. Acceptance of CNO Report

Kerri Jex, Chief Nursing Officer

(1) July 2018 CNO Report

#### C. Acceptance of the CEO Report

John Friel, Chief Executive Officer

(1) July 2018 CEO Report

#### D. Acceptance of the Finance Report & CFO Report

Garth Hamblin, Chief Financial Officer

- (1) June 2018 Financials
- (2) August CFO Report
- (3) IT Management Action Plan Update

# BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT BUSINESS BOARD MEETING MINUTES 41870 Coretin Drive Big Boar Loke Co. 92215

41870 Garstin Drive, Big Bear Lake, Ca. 92315 July 11, 2018

**PRESENT:** Rob Robbins, President Peter Boss, MD, Secretary

Gail McCarthy 1<sup>st</sup> Vice President John Friel, CEO

Jack Roberts, 2<sup>nd</sup> Vice President Shelly Egerer, Exe. Assistant

Donna Nicely, Treasurer

**ABSENT:** None

**STAFF:** Garth Hamblin Erin Wilson Steven Knapik, DO Colin Campbell

Kerri Jex Mary Norman Sheri Mursick Sheri Mursick Kathy Gardner Angela Rodriguez

**OTHER:** Ron Vigus, QHR Gail Dick, Aux. President

Holly Elmer, Foundation President

**COMMUNITY** 

**MEMBERS:** Connie Friel Sara Tully Alesta Pacelli Linda Silas

#### **OPEN SESSION**

#### 1. CALL TO ORDER:

President Robbins called the meeting to order at 1:00 p.m.

#### **CLOSED SESSION**

#### 1. PUBLIC FORUM FOR CLOSED SESSION:

President Robbins opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to make public comment. President Robbins closed Public Forum for Closed Session at 1:01 p.m.

#### 2. ADJOURNED TO CLOSED SESSION:

President Robbins motioned to adjourn to Closed Session at 1:01 p.m. Second by Board Member Roberts to adjourn to Closed Session. President Robbins called for a vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### RECONVENE TO OPEN SESSION

#### 1. CALL TO ORDER:

President Robbins called the meeting to Open Session at 3:00 p.m.

#### 2. ROLL CALL:

Rob Robbins, Gail McCarthy, Jack Roberts, Donna Nicely, and Peter Boss, MD were present. Also, present were John Friel, CEO and Shelly Egerer, Executive Assistant.

#### 3. FLAG SALUTE:

Ms. Jex led the flag salute, all present participated.

#### 4. ADOPTION OF AGENDA:

President Robbins called for a motion to adopt the agenda as presented. Motion by Board Member Roberts to adopt the agenda as presented. Second by Board Member McCarthy to adopt the agenda as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### 5. RESULTS OF CLOSED SESSION:

President Robbins reported that the following action was taken in Closed Session: The following reports were approved.

- Chief of Staff Report:
  - Request for Reappointment:
    - o Ryan Franke, MD Renaissance Radiology
    - o Christopher Bedford, MD Renaissance Radiology
    - o Alma Loma, MD Renaissance Radiology
    - o Rosemary Klecker, MD Renaissance Radiology
    - o Varand Ghazikhanian, MD Renaissance Radiology
    - o Peter Piampiano, MD Renaissance Radiology
    - o Rana Fattahi, MD Renaissance Radiology
    - o Alison Perez, DDS Center for Oral Health
  - Request for Reappointment:
    - o Jeffrey Orr, MD Internal/Family Medicine
    - o Vahibav Anvekar, MD Internal/Family Medicine
  - Voluntary Resignation
    - o Jonathan Woolery, MD Emergency Medicine
    - o Quan La, MD- Renaissance Radiology
  - Expired Privileges:
    - o Kellie Clark, NP Family Medicine
  - Risk Report
  - QI Report

President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### 6. PUBLIC FORUM FOR OPEN SESSION:

President Robbins opened the Hearing Section for Public Comment on Open Session items at 3:04 p.m. Hearing no request to make public comment. President Robbins closed Public Forum for Open Session at 3:04 p.m.

#### 7. DIRECTORS COMMENTS

- Board Member Boss stated that he appreciates the work the Board of Directors commits to the district.
- President Robbins stated that the Board of Director's are very pleased with the CEO and his wife, they live in the community full time and Mrs. Friel is currently working with many local organizations to help the district succeed.
- Board Member Roberts wanted to remind all in attendance at the Board Meeting that the Registrar of Voters needs to be contacted after Monday if they are interested in running for the BVCHD Board.

#### 8. INFORMATION REPORTS:

- **A.** Foundation Report:
  - Ms. Elmer provided the following information:
    - o Introduced Foundation members that attended today's Board Meeting.
    - o Humanitarian of the Year Award Ceremony is scheduled for August 26, hopes to see all in attendance, and would like the district to purchase a table.
    - o Wine & Cheese event is conducted for community outreach and trying to get more community members to join the Foundation.
    - o Worked the Health Fair, handed out several items to the community.
    - o Tree of Lights fundraiser. Cost for lights could be approximately \$5,000.00.
    - o In the process of writing a grant for \$6,000.00.
    - o Presented a check for \$15,000 to the Board of Directors for the SNF.

#### **B.** Auxiliary Report:

- Ms. Dick provided the following information:
  - Annual golf tournament August 31 18 teams are available.

#### 9. CONSENT AGENDA:

- A. June 13, 2018 Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- **B.** June 21, 2018 Special Board of Directors Meeting Minutes: Shelly Egerer, Executive Assistant
- C. June 2018 Planning & Facilities Report: Michael Mursick, Plant Director
- D. June 2018 Human Resource Report: Erin Wilson, Human Resource Director
- E. June 2018 Infection Prevention Report: Heather Loose, Infection Preventionist
- **F.** Policies & Procedures:
  - (1) Hospital Plan for Provision of Patient Care Services
  - (2) CT Scan
  - (3) Diagnostic Imaging

- (4) Code Stroke
- (5) Emergency Preparedness
- (6) Mammography
- (7) Radiology
- (8) Handling of Soiled Instruments Outside of Operating Room
- (9) Ultrasound
- **G.** Board of Directors; Committee Meeting Minutes:
  - (1) April 18, 2018 Affiliation Ad Hoc Committee Meeting Minutes
  - (2) May 29, 2018 Special Human Resource Committee Meeting Minutes
  - (3) June 01, 2018 Special Finance Committee Meeting Minutes
  - (4) June 05, 2018 Finance Committee Meeting Minutes
  - Board Member Roberts stated that he would like staff to pay better attention to detail with the policies & procedures; department titles need to be reviewed and titled appropriately.

President Robbins called for a motion to approve the Consent Agenda as presented. Motion by Board Member Roberts to pull the June Human Resource Report and approve the remaining Consent Agenda as presented. Second by Board Member Nicely to pull the June Human Resource Report and approve the remaining Consent Agenda as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins -yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### 10. OLD BUSINESS:

- A. Discussion and Potential Approval of the May 2018 Human Resource Report: Erin Wilson, Human Resource Director:
  - Ms. Wilson reported there was some transposed numbers and they have been fixed; a revised dashboard has been provided in your packet.

President Robbins called for a motion to approve the May 2018 Human Resource Report as presented. Motion by Board Member Nicely to approve the May 2018 Human Resource Report as presented. Second by Board Member McCarthy to approve the May 2018 Human Resource Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### B. Discussion and Potential Approval of the Following Policies & Procedures

- (1) Administration
- (2) ID and Facility Access Badges
- (3) Electrical Safety ECMAM -1

- Mr. Friel reported to the Board of Directors that there were a few errors that Board Member Roberts had mentioned in four of the policies and would like the Board to table the following policies and procedures:
  - o Conflict of Interest did not have the correct attachment of mandatory filers
  - o Board Members Code of Conduct is being reviewed to ensure we are in compliance.
  - o Contracts & Agreements needs to be reviewed as to the responsibility of the department managers tracking the contracts.
  - o Public Participation at Board of Directors Meetings has an error that is not applicable to the public.
- Board Member Roberts stated that the attachment for the Conflict of Interest mandatory filers is not accurate.
- Board Member Nicely stated that one Board Member does not have the authority to not approve the policies or make decisions on an item that is presented to the Board of Directors this is a full Board decision.

President Robbins motioned to approve the policies and procedures with the exception of the four policies the CEO has requested to table. Second by Board Member McCarthy to approve the policies and procedures with the exception of the four policies the CEO has requested to table. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

## C. Discussion and Potential Approval of the February 13, 2018 Human Resource Committee Meeting Minutes:

• Mr. Friel reported that the minutes had a typo and that the minutes were corrected and asked the Board of Directors to approve the February 13, 2018 Human Resource Committee Meeting Minutes.

Board Member Roberts motioned to approve the February 13, 2018 Human Resource Committee Meeting Minutes as presented. Second by President Robbins to approve the February 13, 2018 Human Resource Committee Meeting Minutes as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### 11. NEW BUSINESS\*

# A. Discussion and Potential Approval of the TruBridge Agreement (Extension to April 2019):

• Mr. Hamblin reported to the Board that the Finance Committee was in support of the contract extension and asked the Board to approve the extension of the TruBridge Agreement.

Board Member Nicely motioned to approve the TruBridge Agreement Extension to April 2019. Second by President Robbins to approve the TruBridge Agreement Extension to April 2019. President Robbins called for the vote. A vote in favor of the motion was 4/1.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts no

## B. Discussion and Potential Approval of Rescheduling the August 08, 2018 Board of Directors Business Board Meeting Due to the QHR Trustee Conference:

 Mr. Friel asked that the Board reschedule the August Board Meeting to August 15 at 1:00 pm due to Board Members and himself attending the QHR Trustee Conference.

Board Member Nicely motioned to approve the August Board Meeting to be scheduled for August 15, 2018. Second by President Robbins to approve the August Board Meeting to be scheduled August 15, 2018. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes Board Member Roberts - yes

# C. Discussion and Potential Recommendation to the Board of Directors for Quorum Health Resources to Complete the Productivity Benchmarking Assessment and Approve Travel Expenses Not To Exceed \$5,000.00:

• Mr. Hamblin reported that the Finance Committee approved a recommendation to the Board to recommend QHR to complete the assessment. The QHR staff will be on site at the end of August.

Board Member Roberts motioned to approve the QHR to complete the Productivity Benchmarking Assessment and Travel Expenses not to exceed \$5,000.00. Second by Board Member Nicely to approve the QHR to complete the Productivity Benchmarking Assessment and Travel Expenses not to exceed \$5,000.00. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

## D. Discussion and Potential Approval of a Request From BVCHD Foundation Regarding the Tree of Lights:

• Mr. Friel reported that the Foundation provided a briefing regarding the use of one of the hospital's trees for a fundraiser, Tree of Lights. This will be for the holidays only and will be an annual fundraiser.

Board Member Roberts motioned to approve the Foundation request, use of hospital electricity and facility staff to assist in this annual fundraiser. Second by Board Member McCarthy to approve the Foundation request, use of hospital electricity and facility staff to assist in this annual fundraiser. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

## E. Discussion and Potential Approval of BVCHD Board of Directors Retreat: To Include Date and Agenda Items:

- Mr. Friel reported that he would like to schedule the Board of Directors Retreat for September 29 from 9:00 am to 4:00 pm, agenda items will be the Strategic Plan, potential financing plans, and would like the Board's opinion on review of the Board Self-Assessment.
- President Robbins stated we need to look at the future in lieu of what happened months ago and that the Board Self-Assessment can be eliminated from the agenda.

Board Member Boss motioned to approve the Board Retreat for September 29, 2018. Second by Board Member Roberts to approve the Board Retreat for September 29, 2018. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

## F. Discussion and Potential Approval of the CEO & CFO 2017/2018 Retirement Contribution Paid By Bear Valley Community Healthcare District:

- Mr. Vigus reported that QHR has a 401K plan with a match. The corporate office has informed staff that this will not continue. A check will be sent to the district, a credit for the CEO & CFO contribution. This is a taxable income and QHR is asking the Board to approve the gross, which would be the difference of the tax.
  - o Approximately \$5,000 per position
  - o QHC, corporate office has some financial issues that they are dealing with
  - o QHR has had a strong financial year
- Further discussion took place regarding QHR and the high turnover and the issues surrounding the turn over. The Board of Directors expressed their concerns regarding this matter.
- Board Member Roberts expressed his concerns and stated that he feels the district should pay the gross so that the CEO & CFO are not paying taxes on this income.

Board Member Nicely motioned to approve the reimbursement checks are to be written/paid by the District to the CEO at \$5,896.00 and the CFO at \$5,022.00. Second by Board Member Boss to approve, the reimbursement checks are to be written/paid by the District to the CEO at \$5,896.00 and the CFO at \$5,022.00. President Robbins called for the vote. A vote in favor of the motion was 4/1.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts no

#### G. Discussion and Update on the 340B Pharmacy:

- Mr. Friel stated that the Finance Committee had requested information on the 340B Pharmacy program.
- Mr. Hamblin stated that they were working with Walgreens and CPSI and there is a lot of complications and audits. There is a significant savings on some high cost drugs; we are looking at the potential to hire a vendor that could assist us, which would still allow us to make additional cash flow from the program. The program is not fully initiated at this time but we are continuing to monitor and work the program.
- Mr. Campbell stated we have five high cost drugs that assist in reducing the cost; we are receiving a better cost through the GPO. Patients are eligible, if they are private care, for this program and it is possible to bring in a consultant to analyze the 340B program.

#### H. June Human Resource Report:

• Board Member Nicely reported that there are delinquent evaluations and the HR Report did not make sense and wanted to ensure that HR is continuing to work with managers to have all employee evaluations current.

Board Member Roberts motioned to approve the June 2018 Human Resource as presented. Second by Board Member McCarthy to approve the June 2018 Human Resource Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### **ACTION ITEMS\***

#### A. Quorum Health Resource Report:

- (1) July 2018 QHR Report:
  - Mr. Vigus reported the following information:
    - o Wanted to remind Board Members and staff that QHR has webinars, several support staff that hospital employees can utilize through QHR

Board Member McCarthy motioned to approve the QHR Report as presented. Second by President Robbins to approve the QHR Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins ves
- Board Member McCarthy yes
- Board Member Roberts yes

#### **B. CNO Report:**

- (1) June 2018 CNO Report:
  - Ms. Jex provided the following information:
    - o Pictures have been received from staff and will be hung in the ER
    - o New admission packet

Board Member Nicely motioned to approve the CNO Report as presented. Second by Board Member Boss to approve the CNO Report as presented. President Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### **C.** Acceptance of the CEO Report:

- (1) June 2018 CEO Report:
  - Mr. Friel reported the following information:
    - o Recent Pharmacy, Laboratory, and Respiratory Therapy did very well and wanted to thank his staff.
    - o Attending the QHR leadership conference, first week in August off and then attending the conference.
    - o RFP will be created for the Grant Writer position.

Board Member Nicely motioned to approve the CEO Report as presented. Second by President Robbins to approve the CEO Report as presented. President Robbins called for the vote. A vote in favor was unanimously approved 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### **D.** Acceptance of the Finance Report:

- (1) May 2018 Financials:
  - Mr. Hamblin reported the following information:
    - o 286 days cash on hand
    - o Retro SB915 cost based reimbursement
    - o Surplus over \$1 million

#### (2) CFO Report:

• Mr. Hamblin

- o Budget approved
- o 340B process will be addressed with caution
- o Random audits are continuing and there are no issues
- (3) QHR Financial Operations Review Report (FOR):
  - Mr. Hamblin
    - o High risk areas are reviewed
    - o Track non-monetary
    - o Credit balance will be looked at
- (4) Information Technology 2019-2021 Strategic Plan
  - Mr. Hamblin reported the following information:
    - o Guidance for the IT Strategic Plan

Board Member Nicely motioned to approve the May 2018 Finance Report and the CFO, the QHR Financial Operations Review Report and the IT Strategic Plan Report as presented. Second by President Robbins to approve the April 2018 Finance Report and the CFO Report as presented. President Robbins called for the vote. A vote in favor was unanimously approved 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

#### 13. ADJOURNMENT:

Board Member Roberts motioned to adjourn the meeting at 4:09 p.m. Second by Board Member Nicely to adjourn. President Robbins called for the vote. A vote in favor of the motion was unanimously approved 5/0.

- Board Member Boss yes
- Board Member Nicely- yes
- President Robbins yes
- Board Member McCarthy yes
- Board Member Roberts yes

### Bear Valley Community Healthcare District Construction Projects 2018

Department / Project	Details	Vendor and all associated costs	Comments	Camala
Public Restroom/Acute Kitchen Plumbing Repair	Remove the concrete in areas to access damaged plumbing.	Pride Plumbing/Facilities	Public Restrooms Complete, Acute Kitchen in Progress	
Pyxis Replacement	Pyxis equipment is in place and seismic anchors will be installed soon.	Facilities	In Progress , will complete after the ER renovations	
ASHRE 188 Risk Management Plan for Legionellosis	New Mandate for Hospitals	Forensic Analytical Consulting Services Inc.	In Progress	
Hospital- Medical Air Compressor	Compressors is failing and no longer meets code requirments	FS Medical	Equipment is on site, waiting on the design professionals and OSHPD	
OR Water Damage	Repair damaged ceiling from water leak and repaint ceiling.	Facilities	Complete	
HVAC Control Air Compressor	Replaced the failing compressor	ACS	Complete	
ER Renovations	Replace cabinets, flooring, and re-paint	Facilities, Warren Construction, Mike's Custom Flooring	In Progress	

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## Bear Valley Community Healthcare District Repairs Maintenance

Details	Vendor and all associated costs	Comments	Committee
Had to replace the intire valve set that was leaking.	Maintenance	Complete	
Repaired the walls in the OR while repairing the ceiling.	Maintenance	Complete	
Replaced failing Med Freezer	Maintenance	Complete	
Repaired the walls in the OR while repairing the ceiling.	Blikman Services	Complete	
Replaced floors, Painted.	Facilities	Complete	
Sealed floor with Drylock to reduce leaks	Facilities	Complete	
Installed Locks	Facilities	Complete	
	Had to replace the intire valve set that was leaking.  Repaired the walls in the OR while repairing the ceiling.  Replaced failing Med Freezer  Repaired the walls in the OR while repairing the ceiling.  Replaced floors, Painted.  Sealed floor with Drylock to reduce leaks	Had to replace the intire valve set that was leaking.  Repaired the walls in the OR while repairing the ceiling.  Replaced failing Med Freezer Maintenance  Repaired the walls in the OR while repairing the ceiling.  Blikman Services  Replaced floors, Painted.  Facilities  Sealed floor with Drylock to reduce leaks	Had to replace the intire valve set that was leaking.  Repaired the walls in the OR while repairing the ceiling.  Replaced failing Med Freezer  Maintenance  Complete  Complete  Complete  Replaced failing Med Freezer  Repaired the walls in the OR while repairing the ceiling.  Replaced floors, Painted.  Facilities  Complete  Complete  Complete  Complete  Complete  Complete  Complete

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# **Bear Valley Community Healthcare District Repairs Maintenance**

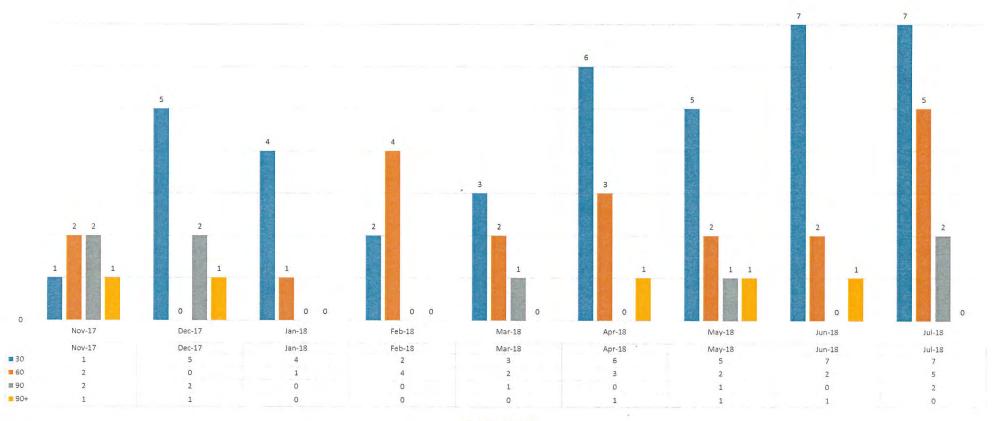
Hospital/FHC/PT	Trimmed Trees	Facilities	Complete	
			ll III -	

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# HR Committee/Board Report July 2018

Staffing	Active: 206 – FT: 141 PT: 13 PD: 52 As of July Board Report		
	New Hires: 4		
	Terms: 1 (1 Voluntary 0 Involuntary)		
	Open Positions: 13		
Employee	DELINQUENT: See attachment		
Performance	30 days: 7		
Evaluations	60 days: 5		
	90 days: 2		
	90+ days: 0		
	See Attachment		
Work Comp	NEW CLAIMS as of April Board Report: 0 OPEN: 10		
	Indemnity (Wage Replacement, attempts to make the employee financially whole) - 5		
	Future Medical Care – 5		
	Medical Only – 0		
	Beta Loss Prevention Specialist site visit planned for 8/14 to discuss safety initiatives fo		
	the new plan year		
<b>Employee File</b>	FIVE FILE AUDIT:		
Audit	One file missing signed job description		
	All licenses are up to date		
Job	Job Descriptions: In process – (January target date)		
Descriptions/ Evaluation	Evaluations: In process – (January target date)		
Policies for	Meal and Rest Period – Legal has reviewed/changes made		
Review	PTO – Legal has reviewed/changes made		
	Leaves of Absence – Legal has reviewed/changes made		
Employee Events	Events committee planning end of summer cookout		
2019 Benefit	CalPERS quoted lowest rate/richest plan		
Review	Additional options		



■ 30 ■ 60 ■ 90 ■ 90+



### Infection Prevention Monthly Report July 2018

TOPIC	UPDATE	ACTION/FOLLOW UP
1. Regulatory	Continue to receive updates from APIC.	<ul> <li>Review ICP regulations.</li> </ul>
	<ul> <li>AFL (All Facility Letters) from CDPH have been reviewed.</li> <li>No AFLs related to infection control</li> </ul>	<ul> <li>AFL to be reviewed at Infection Control Committee and Regulatory committee.</li> </ul>
	Continue NHSN surveillance reporting.	<ul> <li>Continue Monthly Reporting Plan submissions.</li> </ul>
	<ul> <li>Completion of CMR reports to Public Health per Title 17 and CDPH regulations.</li> <li>1positive Chlamydia case</li> <li>1 positive gonorrhea case</li> </ul>	
2. Construction	<ul> <li>ER remodel in progress.</li> <li>Pyxis seismic mounting in progress.</li> <li>ICRA permits in place, will revise as needed.</li> </ul>	<ul> <li>Work with         Maintenance and             contractors to ensure             compliance.     </li> </ul>
3. QI	<ul> <li>Continue to work towards increased compliance with Hand Hygiene.</li> <li>Compliance at 68%</li> <li>New hand hygiene monitoring tool in effect.</li> </ul>	<ul> <li>Continue monitoring hand hygiene compliance.</li> </ul>
4. Outbreaks/	Public Health Report	
Surveillance	<ul> <li>Pertussis outbreak is expected in San</li> </ul>	<ul><li>Informational</li></ul>

	Bernardino County. There have been 14 cases since June 17 <sup>th</sup> .  o Community Health Report o 2 outpatient cases of MRSA in wounds o 1 case of C-difficile in an outpatient.	
5. Policy Updates	<ul> <li>Policies reviewed, approved:</li> <li>Clinic Infection control</li> </ul>	<ul> <li>Clinical Policy and Procedure Committee to review and update Infection Prevention policies.</li> </ul>
6. Safety/Product	<ul> <li>IP gathering manufacturer's instructions for use and cleaning for equipment around the hospital.</li> <li>Will compile in folder for staff to use.</li> </ul>	<ul> <li>Continue to monitor compliance with approved cleaning procedures.</li> <li>Ongoing</li> </ul>
7. Antibiotic Stewardship	<ul> <li>Pharmacist continues to monitor antibiotic usage.</li> </ul>	<ul><li>Informational.</li></ul>
8. Education	■ ICP continues to attend the APIC meetings in Ontario.	<ul> <li>ICP to share information at appropriate committees.</li> </ul>
9. Informational	<ul> <li>EVS Terminal cleaning of the OR Suite</li> <li>There have been continuous issues with EVS cleaning the OR, from missed cleanings to partial cleanings, etc.</li> <li>IP and Marlon Morgan to meet and discuss expectations for EVS staff.</li> <li>Competencies will be done for the staff.</li> <li>Monitoring of cleaning will be done also, on a regular basis.</li> <li>Reporting Communicable Diseases</li> <li>IP presented title 17, section 2500 to the committee which states that the healthcare provider and the lab will both</li> </ul>	■ Informational

•	be responsible for reporting con SB County Department of Publi Policy will be reviewed and upd specifics on who will do the report the clinics.	c Health. ated to include more	
Heather Loose, BSN, RN	Infection Preventionist	Date: August 6, 20	)18

Department	Policy	Summary
Anesthesia	Management of Patient with Malignant Hyperthermia (MH)	Annual review. Revised verbiage to reflect the POC.
Emergency Department	Safe Opioid Prescribing (v.2)	Annual review. Revised to reflect current process.
Emergency Department	Code Stroke	New Policy
		Annual review. Updated 'Employee Health New Employee
		Vaccination Titers and Drug Screening Standardized Procedure'
Employee Health	Employee Physical Recommendations (v.4)	attachment.
Employee Health	Fit for Duty Examination (v.2)	Annual review. No changes.
		Annual review. Updated 'Employee Health New Employee
		Vaccination Titers and Drug Screening Standardized Procedure'
		attachment and 'Employee Health Seasonal Flu Vaccination
Employee Health	Healthcare District Personnel Vaccine Recommendations (v.4)	Standardized Procedure' attachment.
Employee Health	Infectious Disease - Personnel (v.1)	Annual review. No changes.
Employee Health	Injury and Illness Prevention Program (IIPP) (v.5)	Annual review. No changes.
FHC/RHC	Allergy Documentation (v.4)	Annual review. No changes.
FHC/RHC	Annual Clinic Evaluation (v.4)	Annual review. No changes.
FHC/RHC	Arm Sling - Application of (v.4)	Annual review. No changes.
FHC/RHC	Cast Removal (v.4)	Annual review. No changes.
FHC/RHC	Cervical Collar - Application of (v.3)	Annual review. No changes.
FHC/RHC	Clinic Infection Control (v.3)	Annual review. Revised to reflect current process.
FHC/RHC	Clinic Vaccine Storage (v.3)	Annual review. Revised to reflect current process.
FHC/RHC	Finger Splint - Application of (v.4)	Annual review. No changes.
FHC/RHC	Patient Discharge Process (v.3)	Annual review. Changed policy name from 'Patient Check Out Process'.
FHC/RHC	Prescription Process (v.3)	Annual review. Formatted.
FHC/RHC	Referrals (v.4)	Annual review. Revised verbiage to reflect the POC.
FHC/RHC	Supplies-Clinics (v.4)	Annual review. Revised verbiage to reflect the POC.
Lab Administration	Correcting Erroneous Test Results	Annual Review Formatted and revised to reflect current process.
Lab Administration	STAT Testing at BVCHD	Annual Review Formatted and revised to reflect current process.
Laboratory	Back-Up Services (v.4)	Annual review. Revised verbiage to reflect current process.
Laboratory	Delegation of Authority (v.2)	Annual review. Revised verbiage to reflect current process.
		Annual review. Verbiage changed to reflect positive and negative
		controls are to be run with on each day of use when testing serum as
		testing serum changes the complexity from waived to moderate.
	And a second sec	(Previously controls were only run once with each shipment of a new kit
Laboratory	hCG Qualitive Sure-Vue (v.5)	lot number).
		Annual review. Verbiage revised to reflect 'If the urine chemistries
		are positive for blood, nitrites, leukocytes, or protein, a
		microscopic examination will be reflexed'.
		Deleted: Backup testing may be performed for Bilirubin and
Laboratory	Urinalysis (v.5)	Reducing substances (<2 yrs) if needed.
Nursing Administration	Crash Cart	Annual review. Revised verbiage to reflect the POC.
Nursing Administration	Accessing Implanted Ports - Outpatient (v.3)	Annual review. No changes.

Nursing Administration	Assessment/Reassessment of Patients - Interdisciplinary (v.6)	Annual review. Revised verbiage in the chart to reflect the POC
Nursing Administration	Blood/Blood Product Transfusion (v.5)	Annual review. No changes.
Nursing Administration	BRN Continuing Education Units Issued by BVCHD (v.1)	New policy.
Nursing Administration	Cannulation of the External Jugular Vein by Emergency Department RNs (v.1)	New policy.
Nursing Administration	Chain of Command-Patient Care Related (v.6)	Annual review. No changes.
Nursing Administration	Chaperone Use By Providers (v.3)	Annual review. No changes.
Nursing Administration	Code Blue Code White (v.6)	Annual review. No changes.
Nursing Administration	Crash Cart (v.6)	Annual review. Revised verbiage to reflect the POC.
Nursing Administration	Critical Care IV Medication Infusion (v.3)	Annual review. No changes.
Nursing Administration	Death, Notification to Coroner/One Legacy (v.7)	Annual review. No changes.
Nursing Administration	Diagnostic Variance Follow-Up (v.7)	Annual review. No changes.
Nursing Administration	End of Life Care (v.6)	Annual review. No changes.
Nursing Administration	Enteral (Tube Feeding) (v.5)	Annual review. No changes.
Nursing Administration	Fall Reduction Program (v.8)	Annual review. No changes.
Nursing Administration	Hand Off Communication (v.5)	Annual review. No changes.
Nursing Administration	Hoyer-Ultralift Policy (v.7)	Annual review. No changes.
Nursing Administration	Identifying Patients (v.7)	Annual review. No changes.
Nursing Administration	Intraosseous Infusion (v.7)	Annual review. No changes.
Nursing Administration	Lippincott Procedure Manual (v.7)	Annual review. No changes.
Nursing Administration	Medication Administration Reference (v.5)	Annual review. No changes.
Nursing Administration	Mini Lift 125 kg for Safe Patient Handling (v.7)	Annual review. No changes.
Nursing Administration	Nursing Cell Phone (v.4)	Annual review. No changes.
Nursing Administration	Nursing Scope of Service (v.6)	Annual review. No changes.
Nursing Administration	Pain Management (v.7)	Annual review. No changes.
Nursing Administration	Patient Valuables (v.7)	Annual review. Revised verbiage to reflect process.
Nursing Administration	Poison Control (v.3)	Annual review. No changes.
Nursing Administration	Postmortem Care - Removal of Remains (v.6)	Annual review. No changes.
Nursing Administration	Rapid Response Protocol (v.4)	Annual review. No changes.
Nursing Administration	Reporting of Critical Test Results (v.6)	Annual review. No changes.
Nursing Administration	Restraints - Chemical and Physical (v.7)	Annual review. No changes.
Nursing Administration	Staffing Plan (v.7)	Annual review. No changes.
Nursing Administration	Staffing Registry Nursing Personnel (v.7)	Annual review. No changes.
Nursing Administration	Suicide Precautions (v.3)	Annual review. No changes.
Nursing Administration	Temporary Absence Release (v.2)	Annual review. No changes.
Nursing Administration	Time Out (v.7)	Annual review. No changes.
Nursing Administration	Transfers – Bed to Stretcher, Bed to Wheelchair, Using a Hydraulic lift, Using a Slider Board (v.6)	Annual review. No changes.
Nursing Administration	Ultrasound-Guided PIV Insertions and Blood Draws (v.1)	New policy.
Nursing Administration	Withholding and Withdrawing Life-Sustaining Treatment (v.6)	Annual review. Removed 'DHS' from policy title.
Pharmacy	340B Program Roles and Responsibilities (v.1)	
	Minimal Risk Medications (v.1)	New policy.
Pharmacy		New policy.
Pharmacy	Medications, High Risk (High Alert)	Annual review, Revised verbiage to reflect the POC.

Pharmacy	340B Inventory Management	New Policy
Pharmacy	340B Non-Compliance Material Breach	New Policy
Pharmacy	340B Policy Statement	New Policy
Pharmacy	Anesthetic Cart Medications	New Policy
Pharmacy	CURES Policy	New Policy
Pharmacy	Procurement of Pharmaceuticals	Annual review. Revised verbiage to reflect the POC.
Physical Therapy	Physical Therapy Assessment Patient Care Evaluations and Treatment Guidelines (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Assessment Policy for In-patients & Swing Patients (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Assessment Policy for Outpatient & Skilled Nursing Facility Patients (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Charges and Billing for Services Rendered (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Charting Forms (v.8)	Annual review. No changes.
Physical Therapy	Physical Therapy Definition of Assistance Levels (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Department Security (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Family Education & Teaching (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Functional Criteria For Referral (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Impaired Patient Policy (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Infection Control Policy (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Medical Emergencies (v.5)	Annual review. No changes.
Physical Therapy	Physical Therapy Medi-Cal E-TAR Instructions-Approval of Requested Treatments for Medi-Cal Patients (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Mission Statement & Scope of Practice (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Patient Scheduling (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Topical Medication Use, Storage, and Disposal (v.7)	Annual review. No changes.
Physical Therapy	Physical Therapy Training and Re-education in Activities of Daily Living (ADL) (v.7)	Annual review. No changes.
Plant Maintenance, Surgery	Humidity and Temperature Control	Annual review. Revised verbiage to reflect the POC.
SNF	Adult/Elder Abuse Policy - SNF (v.4)	Annual review. Changed policy title from 'Elder-Dependent Abuse Policy – SNF'. Revised to reflect current process.
Surgery	Care of Sterile Supplies – Surgery	Annual review. Revised verbiage to reflect the POC.
Surgery	Operation of AMSCO (Steris) Sterilizer in Surgery & Central Supply (v.3)	Annual review. Revised verbiage to reflect the POC.
Compliance	Code of Conduct	Annual review. Revised to add ICARE values.
Compliance	False Claims Act Policies	Annual review. No changes
Compliance	Report of Suspected of Known Compliance Issues	Annual review. Revised to add examples of compliance issues.
Compliance	Compliance Program	Annual review. No changes.

#### BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT PLANNING & FACILITIES COMMITTEE MEETING MINUTES April 26, 2018

**MEMBERS** Jack Roberts, 2<sup>nd</sup> Vice President Shelly Egerer, Exec. Assistant

PRESENT: Rob Robbins, President Michael Mursick, Plant Manager

John Friel, CEO

**STAFF:** Garth Hamblin Kerri Jex Mary Norman

**ABSENT:** None

**COMMUNITY** 

**MEMBERS:** None

#### **OPEN SESSION**

#### 1. CALL TO ORDER

Board Member Roberts called the meeting to order at 5:00 p.m.

#### 2. ROLL CALL

Jack Roberts and Rob Robbins were present. Also present were John Friel, CEO, Michael Mursick, Plant Manager and Shelly Egerer, Executive Assistant.

#### 3. ADOPTION OF AGENDA\*

Board Member Roberts motioned to adopt the April 26, 2018 Agenda as presented. Second by President Robbins to adopt the April 26, 2018 Agenda as presented. Board Member Roberts called for the vote. A vote in favor of the motion was unanimously approved.

- Board Member Roberts- yes
- President Robbins yes

#### 4. PUBLIC FORUM FOR OPEN SESSION:

Board Member Roberts opened the Hearing Section for Public Comment on Open Session items at 5:00 p.m. Hearing no request to address the Planning & Facilities Committee, Board Member Roberts closed the Hearing Section at 5:00 p.m.

#### 5. DIRECTOR'S COMMENTS:

None

#### 6. APPROVAL OF MINUTES:

**A**. March 29, 2018

Board Member Roberts motioned to approve the March 29, 2018 minutes as presented. Second by President Robbins to approve the March 29, 2018 minutes as presented. Board Member Roberts called for the vote. A vote in favor of the motion was unanimously approved.

- Board Member Roberts yes
- President Robbins yes

#### 7. OLD BUSINESS\*

None

#### 8. NEW BUSINESS\*

## A. Discussion and Potential Recommendation to the Board of Directors of Entering Into An Agreement with An Architect Firm: CA Architect or Moon & Mayors:

- Mr. Friel stated that the onsite hospital visits were completed. Mr. Friel expressed his recommendation would be to enter into the agreement with Moon & Mayoras; this organization has more experience in completing Acute Care Hospitals.
  - o CA Architect: Long Beach area. Did a tour of two facilities.
    - o CA Architect will not lower the price of the agreement.
  - o Moon & Mayors had a large facility with Dignity.
  - o All comments were positive on both organizations

Board Member Roberts motioned to recommend to the full Board that Moon & Mayoras Architect for the first phase at \$45,000. Second by President Robbins to recommend to the full Board that Moon & Mayoras Architect for the first phase at \$45,000. Board Member Roberts called for the vote. A vote in favor of the motion was unanimously approved.

- Board Member Roberts yes
- President Robbins yes

## B. Discussion and Update on Potential Future Rental Office Space (Big Bear Lake Library Building):

- Mr. Friel reported the district continues to struggle with space and with the potential to having to displace staff due to the potential of moving departments for repairs and renovations staff has been looking at additional office space. The Library has 6,000 square foot space available to rent. At this time, there is a quote for \$1.50 per square foot. We would like to look further into the opportunity to rent this office space for non-clinical space.
- The committee and staff continued to discuss the various ways to use the space, to lease or potentially buy the office space and asked that Mr. Friel obtain additional information and move this item to the full Board of Directors.

#### Board Member Roberts reported no action required.

## C. Discussion and Information on Pharmacy Department Sterile Compounding Future Requirements:

• Mr. Friel reported that there are mandated requirements that need to be completed by the end of the year for the Pharmacy Department. This is an OSHPD project and can

take some time. A tour of the facility is going to be conducted with appropriate consultants to assist the district on how to proceed with the Pharmacy Department.

#### Board Member Roberts reported no action required.

#### 9. PLANNING & FACILITIES\*

#### A. Construction Project:

- Mr. Mursick reported the following:
  - o Hospital Front Lobby Door Replacement:
    - o Completed front lobby and back employee entrance.
    - o ER door completed.
  - o Public Restroom/Acute Kitchen Plumbing Repair:
    - o Plumbing has not been completed as of yet.
    - o Will scope the current system.
  - o Pyxis Replacement has been put aside due to the lack of man power:
    - o Seismic mounts need to be installed, this is an OSHPD project.
  - o ASHRE 188 Risk Management Plan for Legionellosis:
    - o We have begun the process.
    - o Ongoing project, there are some repairs that need to be completed.
  - o Hospital Medical Air Compressor:
    - o Agreement is approved.
  - o Emergency Room Department Renovations:
    - o Had a meeting with department staff.
    - o Will take approximately 1 month.
    - o Cabinets need to be replaced.
    - o Non OSHPD.

#### **B.** Potential Equipment Requirements:

- Mr. Mursick reported the following:
  - o Snow Plow for District Vehicle:
    - o Informational at this time; this will be added to capital budget.

#### C. Repairs/Maintenance

- Mr. Mursick reported the following:
  - o Fox Farm Storage is continuing to be emptied and cleaned out, will eliminate one storage unit. Looking into a large unit to put on site.
  - o Facilities/Diesel Tank tune up completed.
  - o Hospital Corridor Lighting completed.

President Robbins motioned to approve the Planning & Facilities Report as presented. Second by Board Member Roberts to approve the Planning & Facilities Report as presented. Board Member Roberts called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Roberts yes
- President Robbins yes

#### 10. ADJOURNMENT\*

President Robbins motioned to adjourn the meeting at 5:30 p.m. Second by Board Member Roberts to adjourn the meeting. Board Member Roberts adjourned the meeting. Board Member Roberts called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Roberts yes
- President Robbins yes

#### BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT BOARD OF DIRECTORS

# FINANCE COMMITTEE MEETING MINUTES 41870 Garstin Drive, Big Bear Lake, Ca. 92315

July 03, 2018

**MEMBERS** Donna Nicely, Treasurer **PRESENT:** Peter Boss, MD, Secretary

Garth Hamblin, CFO Shelly Egerer, Exec. Asst.

John Friel, CEO

**STAFF:** Kerri Jex Sheri Mursick

COMMUNITY MEMBERS: None

**ABSENT:** None

#### **OPEN SESSION**

#### 1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 1:00 p.m.

#### 2. ROLL CALL:

Donna Nicely and Peter Boss, MD were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

#### 3. ADOPTION OF AGENDA:

Board Member Nicely motioned to adopt the July 03, 2018 Finance Committee Agenda as presented. Second by Board Member Boss to adopt the July 03, 2018 Finance Committee Agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

#### **CLOSED SESSION**

#### 1. PUBLIC FORUM FOR CLOSED SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Board Member Nicely items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 1:00 p.m.

#### 2. ADJOURN TO CLOSED SESSION:

Board Member Nicely motioned to adjourn to Closed Session at 1:00 p.m. Second by Board Member Boss to adjourn to Closed Session at 1:00 p.m. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

#### **OPEN SESSION**

#### 1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 1:30 p.m.

#### 2. RESULTS OF CLOSED SESSION:

Board Member Nicely stated there was no reportable action.

#### 3. PUBLIC FORUM FOR OPEN SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Open Session items at 1:30 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 1:31 p.m.

#### 4. DIRECTOR'S COMMENTS:

• None

#### 5. APPROVAL OF MINUTES:

- **A.** June 01, 2018
- **B.** June 05, 2018

Board Member Nicely motioned to approve the June 01 and June 05, 2018 Finance Committee Meeting Minutes as presented. Second by Board Member Boss to approve the June 01 and June 05, 2018 Finance Committee Meeting Minutes as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely yes
- Board Member Boss- yes

#### 6. OLD BUSINESS:

- A. Discussion and Potential Recommendation to the Board for Quorum Health Resources to Complete the Productivity Benchmarking Assessment and Approve Travel Expenses Not To Exceed \$5,000.00:
  - Mr. Hamblin stated that he is recommending QHR to complete the Productivity Assessment and that he provided information on WIPFLI cost and additional details
    - QHR will request one-year data, no additional fee except for travel expense.
       Will find out about the time frame and provide that information to the full Board.
    - o Feels QHR would be on site within 4-6 weeks and then present the findings to the managers, Finance Committee and the Board of Directors.

Board Member Nicely motioned to recommend to the Board of Directors the Quorum Health Resources to complete the Productivity Benchmarking Assessment with Travel Expenses Not To Exceed \$5,000.00. Second by Board Member Boss to recommend to the Board of Directors the Quorum Health Resources to complete the Productivity Benchmarking Assessment with Travel Expenses Not To Exceed \$5,000.00. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely yes
- Board Member Boss- yes

#### 7. NEW BUSINESS\*

## A. Discussion and Potential Recommendation to the Board of Directors the Extension of the TruBridge Agreement to April 2019:

- Mr. Hamblin recommends that we extend the current TruBridge Agreement to April 2019. This will allow the district to determine if we need to go with another vendor and/or allow additional time for TruBridge to prove that they should have the agreement renewed.
  - o We have been successful to get AR days to 65 days.
  - Average day revenue has decreased which would allow TruBridge to work on the AR.
  - Would like to allow TruBridge until the end of the year and evaluate the agreement at that time.
  - o Tracking un-coded and unchecked days.

Board Member Nicely motioned to recommend to the Board of Directors the Extension of the TruBridge Agreement to April 2019. Second by Board Member Boss to recommend to the Board of Directors the Extension of the TruBridge Agreement to April 2019. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely yes
- Board Member Boss- yes

#### **B.** Discussion of Out Patient Services:

- Board Member Boss provided a slide show that provided new construction on hospital/ER; the slides showed the facility being completed:
  - Had a state reference laboratory
  - o Urgent care with full service lab is possible with little cost
  - o Free standing emergency room
  - o Received pharmacy license pharmacist on staff
  - Dedicated ambulance entrance
- Board Member Boss stated that he has viewed our website and that we list the services we offer, but would like to have the patient order form on site in order for the local physicians to download for Lab, X-ray and Physical Therapy. This would also allow the public and physician to know what services we offer; this could potentially grow our services. Insurance that is accepted at the hospital and clinic needs to be on the website also.
- Mr. Friel will touch basis with Megan Meadors to get our document on the website and all the insurance information that the district does accept, to include the clinic.

#### Board Member Nicely reported no action required.

#### 8. Presentation and Review of Financial Statements:

- **A.** May 2018 Finances:
  - Mr. Hamblin reported the following:
    - o 286 days cash on hand.
    - Medi-Cal did some calculations and reimbursement \$1.7 million for FY 14, 16 & 17.
    - o Contractuals are low.
    - o \$1.56 million was surplus.
    - o AR days and AR dollars are trending down which is good.
    - o Expenses are higher than budget.

#### **B.** CFO Report:

- Mr. Hamblin reported the following:
  - o Healthcare Reform / Healthcare Legislation:
    - O Assembly Bill 3087 did not pass out of appropriation. This is good news.

#### C. QHR Financial Operations Review Report (FOR):

- Mr. Hamblin reported that this item is to be completed yearly and presented/approved by the Board of Directors.
  - o Stark Law track non-monetary.
  - o Credit balance accounts.
  - o 340B Pharmacy set up account with Cardinal Pharmacy Director has been tracking cost. CPSI has been asking to be part of the 340B but connectivity is an issue.

Board Member Nicely motioned to approve the May 2018 Finance Report, CFO Report and the Financial Operation Review Report as presented. Second by Board Member Boss to approve the May 2018 Finance Report, CFO Report and the Financial Operation Review Report as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

#### 9. ADJOURNMENT\*

Board Member Nicely motioned to adjourn at 2:08 p.m. Second by Board Member Boss to adjourn. President Robbins called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes



### **MEMO**

Date: August 07, 2018

To: Board of Directors
From: John Friel, CEO

Re: Administration Policies & Procedures

Administration recommends that the Board of Directors approve the following policies and procedures. The policies listed below have been reviewed and updated as needed.

- · Biennial Notice for Conflict of Interest
- Board Members Code of conduct
- Contracts & Agreements
- Public Participation at Board of Directors Meetings

#### **Shelly Egerer**

To:

Deborah Tropp

Subject:

RE: Board Members Code of Conduct (5599\_-1)

From: Deborah Tropp [mailto:DTropp@MTBAttorneys.com]

Sent: Wednesday, July 25, 2018 11:14 AM To: Shelly Egerer <Shelly.Egerer@bvchd.com>

Cc: John Friel < John. Friel @bvchd.com>

Subject: RE: Board Members Code of Conduct (5599\_-1)

#### Shelly:

The policy identified in your email is a legitimate policy that was voted on and approved by the Board. There is no way to remove an elected official for failure to follow the policy unless a grand jury investigation has resulted in that recommendation.

Having said that, the Board is more than welcome to make changes to the policy as they desire, as long as Legal has an opportunity to review any new language before it is adopted. This policy is a BOARD policy and therefore, any discussion regarding its relevance, legitimacy or potential amendment needs to be discussed by the entire Board.

Please let me know if you have any further questions.

Deb

Deborah S. Tropp-Thompson

Attorney at Law

## MITIB

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### **MEMO**

Date: July 12,2018

To: Board of Directors

From: Angela Rodriguez, Director of Radiology

Re: Approval of Hologic and Canon Extended Service Agreements

#### **Recommended Action**

The approval to purchase the Hologic Service Agreement for a term of 4 years and service agreement for the Canon Aplio 500 ultrasound machine for 4 years.

#### Discussion

The one-year warranty on the new Hologic Mammography machine expired on June 5<sup>th</sup>, 2018. This agreement is to extend warranty for service for the next 4 years. This Platinum service will provide replacement on all parts which include glass (X-ray tube and plastics (paddles), provide remote access into machine for any errors and faster repair, and 2 preventative maintenance services per year.

The total cost for the extended 4- year contract is \$ 212,500 (4 annual payments of \$ 53,125). This includes an annual 15% discount when purchasing a multi-year contract with a total savings of \$ 37,500 for 4 years.

The major costs for this system is the detector (\$130,000) and the tube (\$12,000) plus labor/travel. Software upgrades are \$35,000 for the Dimensions and \$15,000 for the CAD server. Attached is the billable labor rates if these units do not have service coverage.

The Canon (Toshiba) Aplio 500 1- year warranty is set to expire 09/24/18. This agreement is to extend warranty for service for the next 4 years. This extended service contract will cost \$8,775 annually for a total of \$35,100 for 48 months.

This will cover parts and labor, yearly preventative maintenance, 4- hour onsite response, one standard probe will be replaced annually at no charge, specialty probes will be replaced at 25% discount off list price.

It is my recommendation to extend the service warranty for 48 months on both pieces of equipment. Due to the high cost of hourly service, travel time and parts. One major incident would far exceed the annual cost of these service agreements.

Respectfully submitted,

Angela Rodriguez Director of Imaging Services



#### **Contract Cover Sheet**

Contract Name:	DOGIC 3	service Agreement	
Purpose of Contract:	Service	ل ا	
Contract # / Effective Date	/ Term (2-59)	115 1 6/5/2018 1	Hurs
Originating Dept. Name / N	Number - Ra	diology 7630	1
Department Manager	Signature: S	-0 ///	e: <u>7/11/18</u> Yes_No
Administrative Officer	Signature:	AM	Date: <u>NA</u>
HIPAA/Privacy Officer (as appropriate)	Signature	_ NA	Date: NA
Legal Counsel	Signature:	Ma emul	Date: 8 8-18
Compliance Officer	Signature:	Mary Normany	Date: 7-19-18
Chief Financial Officer	Signature:	Sataball	Date: 19 144 2018
Chief Executive Officer	Signature:		Date:
Board of Directors When Applicable			Date:
Final Signatures on	Contract. BAA	& W-9·	Date:
		ed to Contractor (if applicable):	Date:
		d/emailed to Controller and Legal:	Date:
(if applicable)	Date.		

### **Contract Cover Sheet**

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## Service Agreement

Hologic Internal Use Only
Entered By:
Date Entered:
Agreement Number:
Customer PO:

Location:

BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT 41870 GARSTIN RD BIG BEAR LAKE, CA 92315 US Account # 252250 Quote #: Q-59715 Quote Date: 7/12/2018 Hologic Rep: Amar Dhanota

Contract Type: Warranty Conversion

ATTN:

Phone:

Fax:

Email:

Model	Serial Number	Service Type	Annual List Price	Annual Discount	Annual Net Price	Coverage Period	Coverage Term (in years)	Term Price
Dimensions 3D 5000	SDM130800102	PLATINUM MAMMO	\$52,000.00	\$7,800.00	\$44,200.00	6/5/2018 to 6/4/2022	4.00	\$176,800.00
Dimensions 3D 5000	SDM130800102	PLASTIC COVERAGE	\$500.00	\$75.00	\$425.00	6/5/2018 to 6/4/2022	4.00	\$1,700.00
Digital CAD with 1st License	CD0355	PLATINUM MAMMO	\$10,000.00	\$1,500.00	\$8,500.00	6/5/2018 to 6/4/2022	4.00	\$34,000.00

Term List Price Total:	USD 250,000.00
15.00% Multi-year:	(USD 37,500.00)
Term Discount Total:	(USD 37,500.00)
Agreement Term Price Total:	USD 212,500.00

#### Payment Schedule

Payment Start Date	Payment Frequency	# of Payments	Payment Amount	Payment Notes
06/05/18	Annual	4	\$53,125.00	

Customer Acceptance: By signing below, Customer indicates acceptance of this Service Agreement proposal and agrees to be bound by the Hologic Service Agreement Terms and Conditions. This Service Agreement proposal supersedes all previous proposals for these services. Upon execution, this Service Agreement proposal, along with the Hologic Service Agreement Terms and Conditions, Exhibits A and B, and any supporting documentation and attachments executed by the Parties, shall constitute the complete and entire agreement between the Parties (collectively referred to herein as the "Agreement").

This offer shall remain open for sixty (60) days after the Proposal Date stated above unless otherwise specified, and is subject to change or withdrawal by Hologic prior to acceptance by both Parties.

CUSTOMER: BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT	HOLOGIC, INC.
Authorized Signature:	Authorized Signature:
Name:	Name: John Liebig  Title: VP. Field Service and Technical Support, BSH Date: 7/12/2018
BILL TO ADDRESS:	Hologic Contact:  Date: 7/12/2018
Address:	Name: Amar Dhanota Phone:
City:State:Zip:	Email: amar.dhanota@hologic.com Fax:

THIS IS NOT AN INVOICE. INVOICE(S) WILL BE GENERATED UPON SUBMISSION OF SIGNED AGREEMENT.

Hologic is required by law to collect state and local taxes on all sales. Final invoices will include these amounts unless a valid exemption certificate is provided.

These Maintenance & Repair Service Terms ("Terms") between Hologic, Inc. ("Hologic") and BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT ("Customer") (Hologic and Customer collectively the "Parties") govern the repair and maintenance services of equipment listed on the Service Quote ("Equipment") and the use of Software (Equipment and Software, collectively "Products").

#### 1. Agreement

These Terms, together with the applicable service quote ( "Service Quote"), Exhibit A, and Exhibit B (collectively, the "Agreement") must be signed and sent to Hologic with Customer's purchase order within 60 days from the Quote Date on the Service Quote.

#### 2. Coverage Period and Termination

- a. Effective Date. The Agreement is effective upon signature by the Parties ("Effective Date"), Should the Coverage Period, described below, pre-date the Effective Date, then these Terms shall apply to the Coverage Period.
- b. <u>Coverage Period</u>. The Coverage Period is indicated on the applicable Service Quote. Prior to the end of the Coverage Period, this Agreement may be renewed, at a mutually agreed price, for successive one-year periods (each a "Renewal Term") by executing an amendment signed by both Parties.
- c. <u>Termination Without Cause.</u> Either Party may terminate this Agreement, with or without cause, after providing the other with 60 days' prior written notice. In case of such termination by Customer, and unless Customer sells its business, or Customer's business merges with or is acquired by another entity who will have a controlling interest of 50% or greater, Customer will be assessed a cancellation fee of 25% of the residual Agreement price, based on the effective termination date. If cancellation occurs in the final year of coverage, the fee will be reduced to 15%. Such fee shall be due within 30 days of effective date of termination. Hologic may set-off, credit, or refund any unused amounts prepaid by Customer.
- d. <u>Termination for Cause</u>. Either Party may terminate this Agreement if the other fails to perform any duty within, limits access to Equipment, or files for bankruptcy ("Default") after providing the defaulting Party written notice of its Default and allowing the defaulting Party 30 days to cure such Default. Customer must provide notice to Hologic in case of bankruptcy. Hologic may elect to suspend Services upon Customer Default. Hologic may terminate within 10 days if Customer breaches payment obligations.

#### 3. Pricing and Payment

Service pricing and payment schedule are listed on the Service Quote. Payments are due Net 30 from the invoice date. Hologic may suspend Services if Customer's account is past due. If Customer is tax-exempt, Customer will provide a valid tax-exemption certificate to Hologic prior to the invoice date, otherwise Customer shall be invoiced for applicable taxes.

#### 4. Services Included

- a. <u>Services.</u> Hologic or authorized distributor will provide the services listed on the Service Quote ("Services"). Any Services performed outside of the Coverage Period indicated on the applicable Service Quote are performed at Hologic's prevailing rates. Each Service Type selected by Customer is detailed in Exhibit A, titled "Service Type Coverage", which contains coverage details and hours of service. Customer may request Services, telephone support, or remote support by contacting the applicable support team from Exhibit B, titled "Product Support Information".
- b. <u>Coverage Period</u>. The Coverage Period is indicated on the applicable Service Quote. Prior to the end of the Coverage Period, this Agreement may be renewed, at a mutually agreed price, for successive one-year periods (each a "Renewal Term") by executing an amendment signed by both Parties.
- c. <u>Software Updates</u>. At no charge during the Term, Hologic will provide commercially available updates that revise or correct safety issues or update the productivity of the Software. Customer will be responsible for uploading and installing security patches made available by Hologic. Upgrades that provide new features or require hardware changes will be offered to Customer at prevailing rates when commercially available.
  - Software. "Software" includes all computer software, firmware and associated documentation supplied through this Agreement in connection with the Equipment or Services. If the Equipment includes Software, Customer is granted a non-exclusive, non-transferable license to use the Software on the Equipment on which it is first installed and only in the normal course of business. Customer may not use Software for multi-site quality control or data review or attempt to access its source code. Software remains the sole property of Hologic. Customer must treat Software as confidential, and must maintain all copyright, proprietary, and other notices on the Software. Customer must not copy, sublicense, de-compile, disassemble, or reverse engineer the Software. All information needed for interoperability is available from Hologic. Hologic may develop updates to the Software, and Customer must allow Hologic access to the to install any updates. Software updates and upgrades for non-Hologic manufactured equipment are subject to the policies of its manufacturer.
- d. Replacement Parts. If covered on Exhibit A or warranty, Hologic will provide available replacement parts at no charge. Replacement parts may be new or remanufactured, will be exchanged for the replaced parts, and are warranted to perform in accordance with Specifications for the greater of 90 days or the remainder of the Coverage Period. Replaced parts become the property of Hologic once replacement parts are installed. Parts not covered on Exhibit A or warranty are provided at Hologic rates current at time of replacement.
- e. End of Support Announcement. Should Hologic determine that it will no longer support a Product, component, or provide a particular option or feature, Hologic shall provide Customer 12 months written notice prior to ending such support. After such notice, Hologic may remove such affected Product, component, option or feature from coverage, with an appropriate adjustment of charges, with no further action by the Parties.
- f. Service Reports. Hologic will provide service reports for all Services performed onsite.
- g. Response Times. Subject to the conditions specified in Exhibit A, product support teams are available during Support Hours listed in Exhibit B. If Customer leaves a message, Hologic's phone support group will return calls received during Support Hours within 30 minutes. Should a support team determine that onsite service is necessary, a Hologic Field Engineer will be dispatched. Hologic uses best efforts to provide an onsite response within 2 business days of Customer's call. For sites with down equipment, Hologic uses best efforts to provide same day response so long as an FE is available, subject to the exclusions in Section 5.
  - Down Equipment. Equipment is considered "down" when Equipment is inoperable (unavailable to treat or diagnose patients, or for Equipment used solely for research projects, cannot be used to perform research). Response to Customer call requesting service for down Equipment caused by external failures (e.g., abuse, loss of air-conditioning, power failure, power surges beyond specified Equipment tolerances, attempted and/or unauthorized third party repair, etc.) may be subject to Hologic's then-current travel time and labor rates.
- h. Remote Access. For some Products, Hologic requires remote access to meet service response times and perform support services. Remote access is provided through Hologic Connect™, or other Hologic technology available at the time service is performed. Customer understands that if Customer is unable provide remote access, Hologic may not be able to meet the response times specified under this Agreement.

#### 5. Exclusions

The following services are not covered by the Agreement and will be billed at prevailing rates:

a. services performed at Customer's request outside the hours in Exhibit A;

- b. services required due to disaster, acts of God, or external failures (including without limitation: abuse, loss of air-conditioning, power failure, or power surges beyond specified equipment tolerances);
- c. services required due to improper use or actual or attempted unauthorized third party repair, modifications, software installations, or moves;
- d. services required due to electrical work or cabling external to the Product;
- e. services performed related to IT, workflow design and analysis, or Customer's network infrastructure, such as IP address configurations;
- f, services performed as a result of changes in laws, regulations or guidelines; and
- g. de-installation, reinstallation, or relocation services.

#### 6. Changes in Coverage

- a. Inspection. If Customer would like to cover Equipment that has been without warranty or service contract coverage for more than 30 days, serviced by anyone other than Hologic or its authorized representatives; or Customer is in Default for more than 30 days then, at Customer's expense, Hologic may inspect the Equipment to determine if it conforms to Hologic's published specifications ("Specifications"). If Equipment does not conform to Specifications, Customer must pay prevailing rates to bring the Equipment into Specifications prior to resumption or start of coverage by Hologic.
- b. Adding and Removing Equipment Coverage. The Parties may add Equipment by mutually executed written amendment to this Agreement. If Customer would like to remove Equipment, then after providing Hologic with 30 days' notice, the Parties will amend the Agreement to reflect such removal. Advance notice for removal is not required if Equipment is traded-in as part of a new purchase of Hologic equipment from Hologic. In the event of any coverage adjustment, the cost on the Service Quote will be prospectively adjusted to reflect such change.

#### 7. Customer Responsibilities

- a. Routine Maintenance and Supervision. Customer must perform all Hologic-recommended routine maintenance in accordance with user manual. Customer alone is responsible for the supervision, risk mitigation, management and control of Equipment while placed onsite.
- b. Access. If Customer does not provide access to Equipment for a scheduled visit, Customer will pay travel time and labor expenses at prevailing rates.
- c. <u>Data Backup.</u> Customer must backup all data, such as patient data, prior to and during the provision of Services. Hologic is not responsible for loss, corruption,

#### 8. Limited Warranties and Exceptions

Hologic warrants that Services will be performed by trained individuals in a workmanlike manner. The remedy for any warranty claim is limited to Hologic re-performing any non-conforming Services at no charge, as long as Customer provides prompt written notice to Hologic. THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. HOLOGIC DISCLAIMS IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### 9. Limitation of Liability

Except for bodily injury or damage to real or tangible personal property caused solely and directly by the negligence or willful misconduct of Hologic or its authorized representatives, Hologic's liability for any damages is limited to the annual Service Quote price in effect when the cause of action arose. IN NO EVENT SHALL HOLOGIC BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES. ADDITIONALLY, HOLOGIC SHALL NOT BE LIABLE FOR ANY CLAIMS BROUGHT MORE THAN ONE YEAR AFTER THE CLAIMANT HAS KNOWLEDGE OF THE CLAIM.

#### 10. Force Majeure

Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder on account of strikes, shortages, riots, insurrections, fires, floods storm, explosions, act of God, war, governmental action, labor or material shortages or any other cause which is beyond the reasonable control of such party. The foregoing provisions regarding force majeure shall not be operative to delay or excuse payment of any amount.

Customer may not assign or subcontract any portion of its rights or obligations under the Agreement without prior written consent from Hologic. Hologic may assign or subcontract its rights, responsibilities, and/or obligations, provided that any assignee assumes applicable obligations in writing.

Except to the extent disclosure is required by applicable law, both Parties agree to hold in strict confidence the Agreement terms and all information in connection with performance of the Agreement, including without limitation, pricing, protected health information, and information relating to the Customer.

#### 13. Applicable Law

The Parties agree to comply with applicable law, including but not limited to, applicable provisions of Health Insurance Portability and Accountability Act of 1996, the Federal Anti-Kickback Statute, and the requirement for access clause set forth in 42 C.F.R. 420.302.

#### 14. Independent Contractors

Hologic is an independent contractor. No joint venture, partnership, principal-agent, or employment relationship exists or is implied between the Parties.

#### 15. Insurance

During the Term, Hologic will maintain the following insurance coverages in amounts complying with applicable law: (a) worker's compensation insurance covering its employees, agents, or representatives; (b) general liability insurance covering the acts or omissions of Hologic and its employees, agents, or representatives; and (c) products liability insurance. Hologic will provide a certificate of insurance to Customer upon request.

#### 16. Entire Agreement

Any conflicting or additional terms are rejected and of no effect unless agreed to in writing by the Parties. This Agreement is the entire understanding between the Parties and supersedes all other proposals, quotations, agreements, and representations regarding the Products and Services. If either Party fails to perform its obligations under the Agreement, such nonperformance shall not affect the other Party's right to enforce performance at any time. Waiver of any remedy or material breach of any subject matter contained in this Agreement shall not be viewed as a waiver unless agreed to by the Parties in writing. This Agreement may only be modified in writing signed by authorized representative of Hologic and Customer.

[Remainder of this page intentionally left blank]

## Exhibit A Service Type Coverage

Service Type	Coverage Description
PLATINUM MAMMO	Platinum Mammography (1) (2) (3) (4) (5) (6) (7) (8) Standard Hours are Monday to Friday, 8:00am to 5:00pm, local time, exclusive of Hologic holidays. Service includes: • Telephone and remote diagnostic and repair support 24 hours/day, 7 days/week. • All replacement parts including glassware. • Travel time and labor coverage for on-site assistance during Standard Hours. • On-site emergency coverage for down Equipment, Monday to Friday, 5:00pm to 9:00pm, local time, when call is received by 2:00pm, local time. • Calls received outside Standard Hours will be dispatched during Standard Hours of the following business day, exclusive of Hologic holidays. • Two (2) Preventive Maintenance ("PM") inspections per year of Agreement term, performed on-site during Standard Hours. • All Software updates and enhancements commercially released during the term of the Agreement for the products/options purchased, in addition to all safety and quality updates. Installation during Standard Hours. • American College of Radiology ("ACR") Compliance.
PLASTIC COVERAGE	Plastic Coverage
	Coverage includes:  Replacement parts for all paddle plastics and face shields that are broken during the Agreement term.

#### SERVICE TYPE AND COVERAGE NOTES

- (1) Requires Customer to provide a network connection for Hologic Connect™ SSL remote network access solution for each Product under the following equipment categories: Digital Mammography, Digital CAD, Bone Density, MultiView/Aegis, and Prima. In the event that the Customer cannot provide such remote access, Hologic, in its sole discretion, may (i) increase the rate reflected on the Service Agreement for each Product by an additional \$3,000 per year of the Agreement term to cover Travel Time and Labor costs of providing only on-site support Services, or (ii) separately charge Customer for Travel Time and Labor costs after a service call where the Customer does not provide such remote access and Hologic is therefore required to dispatch its designated representatives for on-site support.
- (2) Equipment that is out of Product Warranty and not covered by a current service agreement must conform to Hologic's customary standards of configuration, performance, manner of use, or installation ("Specifications") before Hologic will accept a new Agreement. Customer is responsible for all expenses to bring any such Equipment, components and software into conformance with Specifications at Hologic's prevailing Travel Time, Labor, and parts rates.
- (3) Two (2) Preventive Maintenance ("PM") inspections do not apply to (i) Digital CAD Equipment, which receives only one (1) PM inspection per year and (ii) Akrus Chair, Aegis/MultiView and Prima Equipment, which do not require a PM inspection.
- (4) For each equipment category listed below, glassware shall mean, but is not limited to:
  - x-ray tube and digital array detector, for Digital Mammography, Direct Radiography, and Trident Equipment;
  - x-ray tube and CCD camera, for Analog Mammography Equipment;
  - x-ray tube, high voltage power supply assembly, and image intensifier or flat detector, for Fluoroscan Equipment;
  - x-ray tube, high voltage power supply assembly, and array detector, for Bone Density Equipment.
- (5) Platinum Service Type for Prima Equipment excludes Software updates.
- (6) Equipment is considered "down" when an Equipment unit, or any function thereof, is inoperable (unavailable to treat or diagnose patients, or with respect to Equipment used by the Customer solely for research projects, cannot be used to perform research). Response to service call for down Equipment due to external failures (e.g., abuse, loss of air-conditioning, power failure, power surges beyond specified equipment tolerances, attempted and/or unauthorized third party repair, all other Acts of God, etc.) may be subject to Travel Time and Labor expenses.
- (7) Transducer coverage on SSI Ultrasound Equipment is as follows:
  - Platinum Service Type coverage: includes unlimited transducer replacements;
  - Gold Service Type coverage: includes one (1) transducer replacement per year of Agreement term;
  - Silver Service Type coverage: does not include transducer replacements.
  - Bronze Service Type coverage: does not include transducer replacements.
- (8) Plastics Coverage available at an additional cost.
- (9) On-site emergency coverage for down Equipment, Saturday 8:00am to 5:00pm, available at an additional cost
- (10) Shielding collar coverage available:
  - (a) 2 sets for \$2,800/year. Shielding collars to be provided annually.
  - (b) 4 sets for \$5,000/year. Shielding collars to be provided annually.
- (11) Labor & Travel will be included on software updates completed on Brevera systems during routine Preventative Maintenance visits. If software updates are not completed during the Preventative Maintenance visit the customer will be charged the current Travel & Labor rates.

  Quote #: Q-59715

#### Agreement Exclusions:

- New or additional hardware that is required to run software updates or upgrades unless Renew Option is purchased.
- All consumables, including, but not limited to, bar code stickers, cleaning supplies, table pads, positioning devices, ink cartridges, exam table paper, batteries, separator sheets, suction cups, test films, ultrasound gel, and printer paper.
- Software & Telephone Support Service Type excludes installation by a Hologic Field Engineer. Option of installation by Hologic Field Personnel during Standard Hours is available at current Travel Time and Labor rates.
- Bronze Service Type excludes Travel Time, Labor or parts expenses that are necessary to bring the Equipment to within Hologic specifications and/or American College of Radiology ("ACR") Compliance. If required, such expenses will be assessed at current Travel Time, Labor and parts rates.
- Agreements for MRI Equipment exclude: (i) parts, Travel Time and Labor required to resolve temperature and EMI related image issues or permanent magnet failures caused by continued thermal abuse; and (ii) positioning pads, RF shielding collars, covers, belts and coils

## Exhibit B Product Support Information

Product	Support Hours	Phone	Email
Dimensions	7:00am- 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Affirm Biopsy	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Selenia;	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Digital StereoLoc II	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Affirm Prone Biopsy	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
SecurView Workstations	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Prima Workstation	7:00am- 8pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Aixplorer	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	mammosupport@hologic.com
Digital CAD	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	sc.techsupport@hologic.com
Analog CAD	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	sc.techsupport@hologic.com
MultiView/Aegis	7:00am - 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	MultiViewSupport@hologic.com
SecurXchange	7:00am - 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	SecurXchangeSupport@hologic.com
Trident	7:00am - 8pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	DANisupport@hologic.com
Multicare/M-IV Platinum	7:00am – 8:00pm EST live support (on-call support available 24hours/day, 7 days/week)	877-371-4372	DANisupport@hologic.com
ATEC Consoles	7:00am - 7:00pm EST live support	877-371-4372	mammosupport@hologic.com
//RI	7:00am - 8:00pm EST live support	800-537-3860	N/A
nsight2/FD	7:00am - 8:00pm EST live support	800-321-4659	BED-ASPPT@hologic.com
Bone	7:00am – 8:00pm EST live support	800-321-4659	BED-ASPPT@hologic.com
Sahara	7:00am - 8:00pm EST live support	800-321-4659	BED-ASPPT@hologic.com

#### **Shelly Egerer**

From: Christina Meissner < CMeissner @ MTBAttorneys.com>

Sent: Wednesday, August 08, 2018 3:58 PM

To: Shelly Egerer; Deborah Tropp
Subject: RE: revised Hologic agreement

This looks good, thanks.

From: Shelly Egerer [mailto:Shelly.Egerer@bvchd.com]

Sent: Wednesday, August 8, 2018 2:31 PM

To: Christina Meissner < CMeissner @MTBAttorneys.com>; Deborah Tropp < DTropp@MTBAttorneys.com>

Subject: FW: revised Hologic agreement

Can you please review the revised agreement and let me know if approved by legal.?

It is my understanding the changes were made as requested.

Best Wishes,

Shelly Egerer Executive Assistant Bear Valley Community Healthcare District (909) 878-8214 Phone (909) 878-8282 Fax

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#### **Contract Cover Sheet**

Contract Name:	non Medical	Systems	
Purpose of Contract:	service Agre	enent	
Contract # / Effective Date	Term 9/25/18	3 1 48 months 1	9/24/2022
Originating Dept. Name / N	umber - Rad	ology	
Department Manager	Signature:	pul Ry	e: 1/2/18
	BAA: _Ye	es _No W-9: _	YesNo
Administrative Officer	Signature:	NA	Date:
HIPAA/Privacy Officer (as appropriate)	Signature _	NA	Date:
Legal Counsel	Signature:	via email	Date: 7-10-18
Compliance Officer	Signature: _	Mary Norman	Date: 7-2-18
Chief Financial Officer	Signature:	Set Willer	Date: 16 July 2018
Chief Executive Officer	Signature: _	Samtul	Date: 7.20.18
Board of Directors When Applicable	<u>/</u>		Date:
	V	7	,
1. Final Signatures on	Contract, BAA & W	-9:	Date:
2. Copy of Contract/B	AA/W-9 forwarded to	Department Manager:	Date:
3. Copy of Contract/B	AA/W-9 forwarded to	Contractor (if applicable):	Date:
4. Copy of Contract/E (if applicable)	AA/W-9 scanned/em	nailed to Controller and Legal:	Date:

#### **Contract Cover Sheet**

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## Camon

### CANON MEDICAL SYSTEMS USA, INC.

Made For life

SERVICE AGREEMENT

DATE:

7/2/2018 SVC QT#:

524792-1 APLIO-

SID #: CUSTOMER LOCATION: (COMPLETE LEGAL NAME)

30038124 SYSTEM: BILLING ADDRESS:

500/PS2/DEMO.000-UL

BEAR VALLEY COMMUNITY HOSPITAL

41870 GARSTIN DR

BIG BEAR LAKE, CA 92315

BEAR VALLEY COMMUNITY HOSPITAL

ATTN ACCOUNTS PAYABLE

PO BOX 1649

BIG BEAR LAKE, CA 92315

Type: INTOUCH UL-RELIANCE

Length Of Contract:

48 Months

Start Date:

09/25/2018

End Date:

09/24/2022

Total Service Agreement Price: \$35,100.00

Payments are made 30 days in advance as follows (Please choose one):

Monthly \$731.25

\_ Annually \$8,775.00

Canon Medical Systems will provide the following services for the equipment listed in Attachment "A", for the duration of this Agreement. All services will be provided in accordance with the attached Terms and Conditions of Service. Any changes to system configuration or services coverage noted in this agreement will require a revised quotation.

Coverage Hours: MONDAY THROUGH FRIDAY, 8:00 AM - 5:00 PM, EXCLUDING FEDERAL HOLIDAYS

Preventive Maintenance: MONDAY THROUGH FRIDAY, 8:00 AM - 5:00 PM, EXCLUDING FEDERAL HOLIDAYS

Response Time: STANDARD 30 MINUTE PHONE RESPONSE STANDARD 4 HOUR ON-SITE RESPONSE

Uptime Guarantee: 98%

Labor and Travel Charges: PREFERRED RATES FOR LABOR AND TRAVEL OUTSIDE OF COVERAGE HOURS.

Parts Replacement: PARTS WILL BE REPLACED WHEN DEEMED NECESSARY BY CANON MEDICAL SYSTEMS, EXCLUDING DISPOSABLES, ACCESSORIES, OPTIONS OR UPGRADES NOT

LISTED IN THE TERMS AND CONDITIONS OF THIS AGREEMENT.

Probe: ONE STANDARD PROBE WILL BE REPLACED ANNUALLY AT NO CHARGE TO THE CUSTOMER, PROVIDED REPLACEMENT IS NOT DUE TO CUSTOMER NEGLIGENCE. ADDITIONAL PROBES, INCLUDING SPECIALTY PROBES, WILL BE REPLACED AT A 25%

DISCOUNT OFF LIST PRICE.

This service agreement quotation is valid if it is signed by Canon Medical Systems and Customer on or before 60 days from the date of Quotation.

Please return signed quotation to: Canon Medical Systems USA, Inc., 2441 Michelle Drive, Tustin, CA 92780. Additional terms and conditions appear at the end of this quotation.

CUSTOMER ACCEPTANCE:
----------------------

CANON MEDICAL SYSTEMS ACCEPTANCE:

PRINT NAME / TITLE

PRINT NAME/TITLE

PURCHASER'S SIGNATURE

DATE

SERVICE MANAGER

DATE

## Canon

### CANON MEDICAL SYSTEMS USA, INC.

Made For life

SERVICE AGREEMENT

DATE:

7/2/2018 SVC QT#:

524792-1

APLIO-

SID #: CUSTOMER LOCATION: (COMPLETE LEGAL NAME) 30038124 SYSTEM: BILLING ADDRESS:

500/PS2/DEMO.000-UL

BEAR VALLEY COMMUNITY HOSPITAL

41870 GARSTIN DR

BIG BEAR LAKE, CA 92315

BEAR VALLEY COMMUNITY HOSPITAL

ATTN ACCOUNTS PAYABLE

PO BOX 1649

BIG BEAR LAKE, CA 92315

Attachment A Equipment List

This agreement includes coverage for the following items. All other options, including but not limited to lasers, injectors, sources, power conditioners (PCDUs, VRDUs, UPSs, etc.) and other non-Canon Medical Systems options, are not covered by this agreement. For additional options not listed, please contact your local Service Manager.

#### SYSTEM

APLIO-500/PS2/DEMO.000 (APLIO 500 PLATINUM ULTRASOUND SYSTEM - DEMONSTRATION UNIT)

#### ADDITIONAL COMMENTS

Upon acceptance, please forward the signed Agreement to:

CANON MEDICAL SYSTEMS USA, INC. SERVICE CONTRACTS ADMINISTRATION Attn: Audrey Weidemann 2441 Michelle Drive Tustin, CA 92780

E-mail: ServicePacificZone@us.medical.canon Voice: 714-669-2423 Fax: 714-832-5893

A countersigned copy will be returned to you for your reference.

- I. GENERAL TERMS. Unless otherwise specified on the face of this document, this Agreement will remain valid only if accepted by Customer no later than 60 days from date of submission to Customer.
- 1. COVERAGE. The following items are included in this Agreement.
  - a. Planned Maintenance Service, as specified by Canon. Customer will provide Canon service personnel with full access at the agreed upon time. Otherwise, any makeup service will be separately billed by Canon to Customer at Canon's applicable hourly rate then in effect, including round trip travel.
  - Routine System Calibration Tests, as specified by Canon. Customer will perform normal operator adjustments specified in the Equipment Operation Manual.
  - c. Remedial Maintenance Labor required to maintain the system at manufacturer's specifications during Covered Hours specified on the face of this document. Labor requested outside of the Covered Hours will be billed at Canon's applicable hourly rate then in effect.
  - d. Quality Assurance Evaluations, as specified by Canon. Canon will routinely perform quality assurance evaluations in order to assure optimum performance. Customer will provide Canon service personnel full access for such purposes at times mutually agreed to in advance. If applicable, Customer will run simplified Quality Assurance tests utilizing InnerVision Plus = remote diagnostics.
  - e. Replacement of Parts, at Canon's cost, which fail during the term of this Agreement with the exception of the parts specified on the face of this document. Parts that are cosmetic in nature or expendable will be replaced at Customer's cost, including items such as patient parts, head cushions, and acrylic parts. Replaced parts will become the property of Canon. Parts replaced may be refurbished.
  - f. Customer may elect to upgrade / downgrade Variable Glass Tier level once a year, effective on the next contract anniversary date. This contract modification 1) will be effective on a go forward basis only, 2) may not be applied to the contract retroactively, 3) will reflect Canon's current pricing, and 4) must be via a written request from the Customer, presented at least 30 days prior to the contract anniversary date.
- g. Travel and Living Expenses Incurred by Canon's Customer Engineers during Covered Hours.
- h. Uptime Guarantee as specified on the face of this document. Uptime guarantees are measured based on covered hours, excluding Canon's recognized holidays. Uptime will be calculated using the following formula: Uptime = (Base Time Downtime) / Base Time

Definitions. Base Time: Total covered hours. Downtime: Time when the specified imaging equipment is unvailable for scanning or diagnosing images due to Equipment malfunction, and is immediately available for service repairs. Downtime will be calculated during the Covered Hours and commence when the Customer's call is logged into the InTouch<sup>TM</sup> Center. Downtime concludes once repairs are completed and the imaging system is available for clinical use. Downtime does not include time spent for preventive maintenance, routine part replacements or repair of any malfunction caused by operator error, accidents or other elements outside the control of Canon, such as accidents, fires, floods, and Acts of God. The Uptime Guarantee will be voided if Canon is not this Agreement.

Uptime statistics will be measured over a 12-month period. If the Equipment fails to achieve the specified uptime perentage, the following year's services contract will be reduced by the uptime discount specified under the specific Services Agreement plan, up to a maximum of 15%.

Saftware Updates / Upgrades. Canon will furnish to Customer, free of charge for the life of the Equipment, all Canon software or hardware upgrades to the Equipment purchased by Customer, which are intended to correct a safety risk. Software updates offering enhancements to previously purchased software features are covered under this service agreement, if they do not require hardware modifications or additions. Software upgrades providing new features or capabilities not originally purchased, will be made available for purchase by Customer upon request when compatible with the originally purchased hardware. Canon retains the sole right to determine whether a software release is considered an update or an upgrade for which the Customer will be charged.

The above items will be performed only during the Covered Hours stated on the face of this document. Service required outside these hours will be billed at Canon's differential rates in effect at the time such items are provided to Customer.

- 3. ITEMS EXCLUDED. The following items are excluded from this Agreement unless otherwise indicated on the face of this document.
  - a. Customer operation instructions.
  - Adding or removing accessories, attachments, or other devices, and remedial services necessary to repair accessories.
  - c. Services connected with Equipment movement or relocation.
  - d. Problems caused by external sources, including the incoming power supply,
  - e. Increase in service time resulting from operator neglect or failure to follow operation instructions. F. Repair or damage from accident or any cause other than ordinary use.
- Rigging and handling, removal, modification or reconstruction of a wall, partition, ceiling or any other portion of the facility arising from repair, replacement or substitution of Equipment or parts of it.
- h. Chiller maintenance or repair.
- i. Expendable materials or accessories (for example, straps, foam cushions, and other similar items).
- j. Problems caused by modifications, maintenance or repairs of the equipment or software not performed by Canon
- k. Storage facilities for spare parts, tools and supplies.

Performance of services not included in this Agreement will be charged in accordance with Canon's prices in effect at the time such services are provided to Customer.

- 4. CUSTOMER RESPONSIBILITIES. During the term of this Agreement, Customer agrees to maintain the site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of the Equipment: ensure the Equipment is used at all times in accordance with the requirements of the Equipment operation Manual by property qualified and appropriately liceased personnel: and make normal operator adjustments to the Equipment as specified in the Equipment Operation Manual. In addition, Customer agrees to provide and maintain a dedicated broadband Internet access note suitable for connection to Customer's network and allow access to Canon's VPN for Canon's use for Innet/ision Plus™, if applicable. Failure to provide an appropriate VPN connection may result in a reduction in the uptime guarantee commitment and an increase in service charges for the Equipment.
- S.REMOTE DIAGNOSTICS (INNERVISION PLUS®). During the term of this Agreement, Customer will support Canon InnerVision™ connectivity and will allow Canon to install and maintain Canon 360° Connect™ (collectively "InnerVision"), to facilitate the performance of remote diagnostics on the Equipment. InnerVision also allows Canon to pull utilization data for the Equipment (number of scans, time of scan, etc.) in order to provide reporting to the customer. Canon retains rights and title to InnerVision. Customer will not remove, modify, or use or allow third parties to use InnerVision without Canon's prior written consent. Customer will be responsible and will promptly pay for any loss or damage to InnerVision unless caused by Canon's sole negligence. Canon will remove the InnerVision at the point it is no longer providing service on the Equipment.
- 6. GEOGRAPHICAL EQUIPMENT OR COVERAGE. Canon must be notified in writing at least ninety (90) days prior to relocation of Equipment to a site that is fifty (50) miles or greater from the unit's base site specified on the face of this document so that Canon may adequately address manpower needs to maintain the site.
- 7. ACCEPTANCE BY CANON. This Agreement will not be binding on Canon unless and until it is accepted by Canon as evidenced by the signature of an authorized representative of Canon on the face of this document. Canon's acceptance is expressly made conditional upon Customer's assent to the terms and conditions in this document. All different or additional terms and conditions which may be contained in

- Customer's bid documents, purchase order or any other documents furnished by Customer are hereby objected to and deemed material unless accepted in writing by an authorized representative of Canon. Canon will give Customer a fully executed copy of this Agreement upon acceptance by Canon. Canon's service of Equipment under this Agreement is available only if the effective date of this Agreement follows within 15 calendar days of (a) the expiration of an applicable warranty period covering such Equipment, or (b) the expiration of an applicable Canon Services Maintenance Agreement. If the effective date is outside such 15-day period. Canon must be given the right to inspect the Equipment and report and restore the Equipment to proper working order in accordance with Canon's specifications before this Agreement may become effective. All service labor and parts furnished for such repair and restoration will be charged to Customer at Canon's prevailing rates.
- Restoration with the charges to Customer at Canon's pressuring rates.

  S. TERMINATION. This Agreement will terminate upon the expiration date specified on the face of this document. Customer may not terminate this Agreement before its expiration unless (a) Customer sells, discards or otherwise completely discontinues using the Equipment, or (b) Customer exchanges the Equipment for another new Canon Equipment, or (c) Canon substantially fails to perform any of its material obligations specified in this Agreement. In the case of termination for the reasons stated in (a) or (b) above, the termination will be effective 90 days from the date of Customer's written notice to Canon of termination. If Customer elects to terminate for the reasons stated in (c) above, before such termination, customer must notify Canon in writing of the breach and of its intent to terminate this Agreement if such breach is not corrected within thiny (30) days from Canon's receipt of the notice of breach. If Customer elects to terminate this Agreement before its expiration for any reason other than the reasons set forth in (a) through (c) above, or if Canon terminates this Agreement due to Customer's default pursuant to Section 16, Customer must pay Canon, as liquidated damages, an amount equal to 25% of the total service amounts payable under this Agreement for the term remaining as of the date of termination.
- 9. ACCESS TO EQUIPMENT. Customer will afford unrestricted and safe access to the Equipment for Canon's representatives and will cooperate with Canon's representatives in their performance of the services under this Agreement. If Customer fails to provide such access and cooperation, Canon will be relieved of its obligations under this Agreement, including, without limitation, the Uptime Guarantee.
- 10. CONSUMABLE ITEMS. Customer will provide necessary consumable items and processing facilities required by Canon in performance of the services under this Agreement at no charge to Canon.
- 11. END OF MAINTENANCE SUPPORT ANNOUNCEMENT. In the event that Canon makes a future general commercial announcement that services contracts will no longer be offered for an item of Equipment or Equipment component covered by this Agreement, then upon no less than 12 months prior written notice to the Customer, Canon may, at their option, remove any such item(s) of Equipment or Equipment component(s) from service coverage under this Agreement, with an appropriate adjustment of charges hereunder, without otherwise affecting this Agreement.
- 12. COMPENSATION AND TAXES. For the services and materials provided under the Agreement, Customer will pay Canon the total amounts specified on the face of this document for each system covered. For fixed contracts, this sum will be paid in advance, based on the chosen installments specified on the face of this document. For variable contracts, Canon representatives will be given access to usage information and the Equipment for the purpose of measuring variable use. Each month Canon will invoice Customer and Customer will pay the higher of the minimal or actual usage for the preceding period based upon the data from the site. The amounts specified on the face of this document do not include sales, use or other similar taxes. Customer will pay any such taxes, unless a tax exemption certificate acceptable to the applicable taxing authorities is provided to Canon. All invoices paid after due date will be assessed a late payment charge of the lesser of 1 ½% per month or the maximum rate permitted by law.
- 13. CPI ADJUSTMENT. The service fees payable under this Agreement may be increased up to three percent annually, at Canon's sole discretion. The increase is effective on the anniversary date of the Agreement starting with the first anniversary. The customer will be notified by Canon at least 60 days prior to any adjustment. The increase will then be automatically added to the first payment following the anniversary date.
- 14. ASSIGNMENT. Neither Customer nor Canon may assign this Agreement without the prior written consent of the other.
- 15. SOFTWARE. All rights and interest in any software that may be furnished under this Agreement, and any updates and enhancements to it, will remain the property of Canon. Such software is being furnished to Customer under a non-exclusive license. Customer will not decompile, modify, copy, reproduce, or transcribe the software, nor allow third parties to use the same without Canon's prior written consent. Upon Canon's request, Customer will execute a software license contract, in a form designated by Canon.
- 16. DEFAULT. Upon default by Customer, any affiliate or parent of Customer, any partner of Customer, or any principal of Customer in payment or performance of any obligation under this Agreement or any other agreement with Canon, whether entered into before or after the date of this Agreement (including, without limitation, any agreement for sale of equipment to Customer) will, at the sole option of Canon, if default is not cured within ten (10) days after written notice of the default, constitute a default of this Agreement. In such event, Canon may at its option (a) suspend performance under this Agreement until all such defaults have been cured, (b) terminate this Agreement in which case Customer shall pay Canon all amounts that are due for the period prior to the termination date (or the suspension date if the Agreement was suspended prior to termination), as well as liquidated damages equal to 25% of the total service amounts payable under this Agreement for the term remaining as of the termination date (or suspension date if the Agreement was suspended prior to termination), and/or (c) exercise any other remediallowed by law. If service: (i) all past due amounts for the period prior to the suspension, and (ii) the liquidated damages amount set forth in Section 3 above for the period of the suspension.
- 17. ATTORNEY'S FEES AND COSTS. In the event of any legal proceeding involving any party to this Agreement against the other relating to the subject matter of this Agreement, the prevailing party in such proceeding will be entitled to recover attorney's fees, expert fees, collection agency fees and court costs against the non-prevailing party.
- 18. CIRCUMSTANCES BEYOND CONTROL. Canon will not be liable for non-performance or delay in performance resulting directly or indirectly from any occurrences beyond Canon's control, including without limitation, strikes or other labor actions. Acts of God, war, accidents, fires, floods, other catastrophes, inclement weather, transportation, delays caused by Canon's suppliers, inability to obtain replacement parts, or laws, regulations, or acts of any governmental agency. The foregoing provision will apply even though such cause may occur after performance of the obligations of Canon under this Agreement has been delayed for other causes.
- 19. DISCLAMER OF WARRANTIES. CANON MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, OR WARRANTY OF FITNESS FOR PARTICULAR PURPOSE WITH RESPECT TO ANY OF THE SERVICES AND PARTS FURNISHED UNDER THIS AGREEMENT.
- 20. LIMITATION OF LIABILITY AND OF REMEDY. CANON WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR CONSEQUENTIAL, SPECIAL INCIDENTAL, OR EXEMPLARY DAMAGES OR ECONOMIC LOSS ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF CANON IS APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. THIS LIMITATION WILL NOT APPLY TO CLAIMS FOR PERSONAL INJURY OR DEATH CAUSED BY CANON.
- 21. EXPORT RESTRICTIONS. This Agreement involves products, and/or technical data that may be controlled under the U.S. Export Administration Regulations and may be subject to the approval of the U.S. Department of Commerce prior to export. Any export or re-export by Customer, directly or indirectly, in contravention of such approximately in the contravention of such approximately.
- 22. FACSIMILE SIGNATURES. This agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same Agreement. Facsimile signatures (signed copies transmitted via fax or electronic file) shall be of equal effect and validity as signatures on original copies, so long as the electronically transmitted copy includes the printed name and title of the signatory of the
- 23, ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties and supersedes all prior or concurrent agreements between the parties, whether oral or written, relating to its subject matter. The provisions of this Agreement may not be modified unless in writing and executed by both parties.

#### Shelly Egerer

From:

Christina Meissner < CMeissner @ MTBAttorneys.com>

Sent: To:

Tuesday, July 10, 2018 9:48 AM Shelly Egerer; Deborah Tropp

Subject:

RE: Cannon Medical - Ultrasound Contract Renewal

Hi Shelly-

This agreement is ok as is.

Thanks. Christina

From: Shelly Egerer [mailto:Shelly.Egerer@bvchd.com]

Sent: Thursday, July 5, 2018 9:16 AM

To: Deborah Tropp < DTropp@MTBAttorneys.com>; Christina Meissner < CMeissner@MTBAttorneys.com>

Subject: Cannon Medical - Ultrasound Contract Renewal

Good morning ladies,

Can you please review the attached agreement.

Thank you!

Best Wishes.

Shelly Egerer Executive Assistant Bear Valley Community Healthcare District (909) 878-8214 Phone (909) 878-8282 Fax

Note: This email document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

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### **MEMO**

Date: July 05, 2018

To: Board of Directors

From: John Friel, CEO

Re: Clinical Management Consultants (CMC) Agreement

#### Recommendation:

To approve the CMC agreement as presented.

#### Background:

The Laboratory Department is in need of filling a second CLS position. We used the agreement to hire a CLS within the CEO authority but due to staffing issues we are in need of an additional CLS. Due to the additional position, the spending authority of the CEO will exceed \$25,000 limit. Board approval of the contract with CMC is recommended.



#### **Contract Cover Sheet**

Contract # / Effective Date	/ Term	T		
Originating Dept. Name / N	1477	Laho	ea topia	
Department Manager	Signature:	NA	Date:	
	BAA: _	_Yes <u></u> ∕⊂No	W-9: <u>Y</u> es _No	
Administrative Officer	Signature:	NA	Date: NA	
HIPAA/Privacy Officer (as appropriate)	Signature	AU	Date: NA	١,
Legal Counsel	Signature:	via emacl	Date: 6 - 12	18
Compliance Officer	Signature:	Mary Norm	Date: 6-11-1	8
Chief Financial Officer	Signature:	Nast MII	Date: 11 June	2
Chief Executive Officer	Signature:	In the	Date: 6.8/1	8
Board of Directors When Applicable	Signature		Date:	_

## Contract Cover Sheet CONFIDENTIAL NOTICE:

3. Copy of Contract/BAA/W-9 forwarded to Contractor (if applicable):

(if applicable)

Copy of Contract/BAA/W-9 scanned/emailed to Controller and Legal:

Note: This document and attachments are covered by CA Evidence Code 1157 and CA Health and Safety Code 1370.

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435 Pacific Ave., Suite 500 San Francisco, CA 94133 (415) 773-1100 Phone (415) 418-3487 Fax

#### CMC TERMS & CONDITIONS

<u>Clinical Management Consultants, Inc.</u> ("CMC") and <u>Bear Valley Community Hospital</u> ("Client") agree to the following terms and conditions (the "Agreement").

- CMC Recruitment Services. CMC, a healthcare recruitment firm, will make referral(s) of person(s) for hire ("Referrals") to Client, a hiring organization having made a request for such referrals. CMC will provide referral(s) who meet the professional requirements specified and evaluated by Client.
- 2. Referral Term Referrals made by CMC are effective for a period of 2 years from most recent referral date. Client agrees to make and keep record of referrals submitted by CMC. Client may request referral records from CMC at anytime. Delivery of referrals through any means electronic or otherwise constitutes acceptance of all terms and conditions and marks the beginning date of the referral term.
- 3. Fees. Client shall pay CMC a fee when any person(s) referred by CMC is hired by Client as an employee or consultant of any kind ("Compensation"). The fee agreed upon is 20% of hired person(s)'s first year, full time annualized base salary, excluding relocation and / or sign-on incentives offered by Client. Fee rates are periodically adjusted based on marketplace demand and this agreement shall supersede any previous agreement(s) between CMC and Client. This payment obligation will survive termination of this Agreement.
- 4. Payment and Guarantee All fees are due NET 30 from the hired person(s)'s start date. Payments received later than 30 days from start date will incur a \$500 late fee. Additional late fees may be imposed for each subsequent 30-day period payments have not been received in full by CMC. All fees paid to CMC by Client are guaranteed for 90 days prorated based on refund schedule "4.a" after hired person(s)'s start date covering voluntary termination by the hired person(s) will or termination for cause. Termination due to lay off or any other type of employment termination is not included in this guarantee. Late payments, received in excess of 30 calendar days from hired person(s) employment start date, are not covered by this guarantee.
  - 4a.) Refund Schedule
    - 0-30 Days = Free replacement candidate or 100% Fee Refund, 31-60 Days = Free replacement candidate or 50% Fee Refund, 61-90 Days = Free replacement candidate or 25% Fee Refund, and 91+ Days = 0% No Refund.)
- 5. Client Obligations & CMC Warranties. Client will direct the interviewing process to evaluate all referral(s) for competencies and Client will control the final hiring decision. CMC makes no warranties, express or implied, as to the results of business operations of the Client. In no event will CMC be liable to the Client, or any person or entity engaged by or under contract with Client, for any losses, liabilities or damages, including, without limitation, any lost profits, lost savings or other incidental, special or consequential damages, incurred by the Client, its agents or employees, as a result of performance of duties or actions by a CMC Employee or any Referral introduced by CMC.
- 6. Client remedies. CMC'S liability in case of breach of this agreement will be limited solely to the amount of the Compensation. Neither CMC, nor its directors, officers, employees, agents, or affiliates will be liable under contract, tort or any other legal or equitable theory with respect to the services (including, without limitation, any content) for any lost profits, cost of procurement of substitute services, or special, direct, indirect, incidental, consequential or punitive or exemplary

damages of any kind whatsoever. Some states do not allow the exclusion or limitation of incidental, consequential or certain other damages, so the above limitations and exclusions will not apply to client to the extent (and only to the extent) prohibited by law.

- 7. Indemnification. Client will defend, indemnify and hold harmless CMC, its directors, officers, employees, agents, and affiliates, from any and all liabilities, claims, and expenses, including attorney fees and costs, and expert consultant and witness expenses, that arise from or relate to Client's actual or alleged a) use or misuse of the information provided or made available to Client by CMC, b) violation of any of the terms and conditions of this Agreement or c) infringement by Client, or any person acting through or on behalf of Client, of any intellectual property or other right of any person or entity.
- 8. Dispute resolution. CMC and Client will use best efforts to resolve any dispute arising under or relating to this Agreement by good faith negotiation. They will submit any unresolved dispute for resolution in San Francisco, California in accordance with the Commercial Arbitration Rules of the American Arbitration Association, first by mediation and then, if necessary, by arbitration by a single arbitrator. The award of the arbitrator will be final and binding and non-appealable. Without limiting the foregoing, the Superior Court of the State of California in San Francisco, County California will have sole jurisdiction over any matters arising under or relating to this Agreement. The prevailing party in any arbitration or court proceeding will be entitled to reasonable costs and expenses of arbitration, including attorney fees and costs, and expert consultant and witness expenses.
- 9. Entire Agreement. This Agreement is the sole and entire agreement of the parties, and supersedes any prior oral or written agreements, statements or representations.

Clinical Management Consultants, Inc.

Madalin Huerta, Management Consultant

2018

Bear Valley Community Hospital

#### Shelly Egerer

From: Sent:

Christina Meissner < CMeissner @ MTBAttorneys.com>

Tuesday, June 12, 2018 10:26 AM

To:

Pamela Hargrave-Thomas

Cc:

Shelly Egerer

Subject:

FW: FW: CMC Clinical Management Agreement.pdf

Attachments:

BearValley-CMC.pdf

Hi Pam-

The revised agreement looks good.

Thanks, Christina

Christina N. Meissner, Esq. McNEIL TROPP & BRAUN LLP Attorneys at Law 2 Park Plaza, Suite 620 Irvine, California 92614

T: (949) 259-2890 F: (949) 259-2891

E: cmeissner@mtbattorneys.com

#### MITIB

NOTICE: This email and any attachment to this email message contains confidential information that may be legally privileged. If you are not the intended recipient, you must not review, retransmit, convert to hard copy, copy, use or disseminate this email or any attachments to it.

From: Madalin Huerta [mailto:madalin@cmcwest.com]

Sent: Tuesday, June 12, 2018 10:23 AM

To: Pamela Hargrave-Thomas < Pamela. Hargrave-Thomas@bvchd.com>; Christina Meissner

<CMeissner@MTBAttorneys.com>

Subject: Re: FW: CMC Clinical Management Agreement.pdf

I apologize please see revised contract below. Yes, termination of cause is included in the 90-day guarantee.

Madalin Huerta Healthcare Recruiter Clinical Management Consultants (415) 729-7247 - Office (707) 628-5453 - Cell (415) 418-3487 - Fax madalin@cmcwest.com





#### BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT FOR MEDIA/MARKETING SERVICES WITH ANDY MEADORS, BRANDING INC.

THIS AGREEMENT FOR MEDIA/MARKETING SERVICES AT THE BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT ("Agreement") is made and entered into as of 16<sup>th</sup> day of August, 2018 by and between Bear Valley Community Healthcare District, a public entity, ("Hospital") and Andy Meadors, Branding Inc. ("Contractor").

#### **RECITALS**

WHEREAS, Hospital is in need of certain media/marketing services ("services") based on the direction of the Marketing Manager and approval of the Hospital Chief Executive Officer.

WHEREAS, Contractor is qualified to perform said services.

NOW THEREFORE, in consideration of the mutual covenants, undertakings and promises contained herein, as well as other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

#### **AGREEMENTS**

#### SERVICES PROVIDED

1. Hospital hereby agrees to engage the Contractor to provide Hospital with the following ("services"): graphic design for print media, website development and maintenance and photography for use in print and web advertising based on the direction of the Hospital Marketing Manager and approval of the Hospital CEO. Additionally, the services will also include any other tasks which the parties may agree on, subject to approval of the Hospital CEO. The Contractor hereby agrees to provide such Services to the Hospital.

#### **TERM OF AGREEMENT**

- 2. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect indefinitely until terminated as provided in this Agreement.
- 3. In the event that either Party wishes to terminate this Agreement, that Party will be required to provide 10 days' written notice to the other Party.
- 4. In the event that either Party breaches a material provision under this Agreement, the non-defaulting Party may terminate this Agreement immediately and require the defaulting Party to indemnify the non-defaulting Party against all reasonable damages.
- 5. This Agreement may be terminated at any time by mutual agreement of the Parties.
- 6. Except as otherwise provided in this Agreement, the obligations of the Contractor will end upon the termination of this Agreement.

#### COMPENSATION

- 7. The Contractor will charge Hospital for the services as follows (the "Compensation"): \$75.00 per hour.
- 8. Invoices submitted by the Contractor to the Hospital are due within 30 days of receipt. The invoices shall specify the time worked and a description of the work performed.
- 9. In the event that this Agreement is terminated by the Hospital prior to completion of the Services but where the Services have been partially performed, the Contractor will be entitled to payment of the Compensation to the date of termination provided that there has been no breach of contract on the part of the Contractor.
- 10. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement.

#### CONFIDENTIALITY

- 11. Confidential information (the "Confidential Information") refers to any data or information relating to the Hospital, whether business or personal, which would reasonably be considered to be private or proprietary to the Hospital and that is not generally known and where the release of that Confidential Information could reasonably be expected to cause harm to the Hospital.
- 12. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any confidential information which the Contractor has obtained, except as authorized by the Hospital or as required by law. The obligations of confidentiality will apply during the term of this Agreement and will survive indefinitely upon termination of this Agreement.

#### **OWNERSHIP OF INTELLECTUAL PROPERTY**

13. All intellectual property and related material (the "Intellectual Property") that is developed or produced under this Agreement by Contractor, will become the property of the Hospital.

#### **RETURN OF PROPERTY**

14. Upon the expiration or termination of this Agreement, the Contractor will return to the Hospital any property, documentation, records, or Confidential Information which is the property of the Hospital.

#### CAPACITY/INDEPENDENT CONTRACTOR

15. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Hospital acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. The Hospital is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

#### NOTICE

16. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

Contractor: Andy Meadors, Branding Inc.

PO Box 51

Big Bear City, CA 92314

BVCHD: John P. Friel, CEO

Bear Valley Community Healthcare District

PO Box 1649

Big Bear Lake, CA 92315

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

#### **INDEMNIFICATION**

17. To the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

#### **MODIFICATION OF AGREEMENT**

18. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

#### **ASSIGNMENT**

19. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Hospital.

#### **ENTIRE AGREEMENT**

20. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

#### **ENUREMENT**

21. This Agreement will ensure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

#### TITLES/HEADINGS

22. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

#### **GOVERNING LAW**

23. This Agreement will be governed by and construed in accordance with the laws of the State of California.

#### **SEVERABILITY**

24. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

#### **WAIVER**

25. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

#### ANTI-HARASSMENT/DISCRIMINATION/RETALIATION

26. The parties are prohibited from engaging in any discriminatory, harassing, or retaliatory conduct, and Physician agrees to fully comply with all applicable local, state and federal anti-discrimination and employment-related regulations and laws.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the first date written above.

Dated:	By:
	John Friel, CEO
	Bear Valley Community Healthcare District
	P. O. Box 1649
	Big Bear Lake, CA 92315
Dated:	By:
	Andy Meadors, Branding Inc.
	PO Box 51
	Big Bear City, CA 92314

## Plan Profile: Enrollment & Demographics

Benefit Eligibil	ity
Hours Required	Full-time working 30 hours per week Part-time working 24 to 29 hours per week
All Eligible EE's	1st of the month following 30 days
Dependents	Spouse, Registered Domestic Partner & Dependent Children
Age Limitations	Children: natural, legally adopted, legal guardianship and stepchildren, up to age 26
Medical Participation	92%

2018 Demographics of Medical-Eligible	Current Count	% of Total Eligible	Average Age	% Female	% EE Only
CalPERS Medical Plans (includes 3 part-time)	136	92%	Male: 50 Female: 47	76%	82%
Medical Waivers	12	8%	47	75%	n/a
Total Full Time Eligible	148	100%	47		

<sup>\*</sup>Average waiver % for the 2017 Mercer Survey Healthcare <500 is 28%. For Employers with 200-499 employees the amount of employees who waive is 23%.

## Bear Valley Community Heatlhcare District Benchmarking Results Summary – HMO Medical

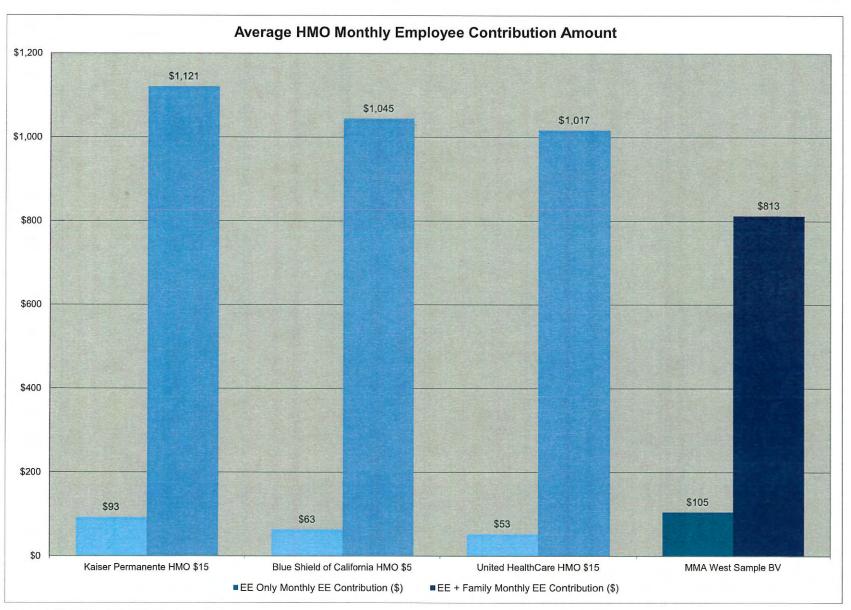
Client Plan	Plan Value	Benchmark	Conclusion
idual In-Network Deductible			
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$0 \$0 \$0	\$1,175	Richer Richer Richer
dual In-Network Out-of-Pocket Maximum			
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$1,500 \$1,500 \$1,500	\$2,000	Richer Richer Richer
Visit / Specialist Visit Copay			
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$15 / \$15 \$15 / \$15 \$15 / \$15	\$20 / \$30	Richer / Richer Richer / Richer Richer / Richer
gency Room / Inpatient Copay			
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$50 / \$0 \$50 / \$0 \$50 / \$0	\$100 / \$250	Richer / Richer Richer / Richer Richer / Richer
nacy Copay (Tier 1 / Tier 2 / Tier 3)			Essidentes (Proposition)
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$5 / \$20 / \$0 \$5 / \$20 / \$50 \$5 / \$20 / \$50	\$10 / \$30 / \$45	Richer / Richer / Richer Richer / Richer / Leaner Richer / Richer / Leaner
ly Premium (EE Only / EE + Family)			hers a river sentil
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	\$643 / \$1,671 \$613 / \$1,595 \$603 / \$1,567	\$590 / <mark>\$1,772</mark>	Higher / Lower In-Line / Lower In-Line / Lower
yee Contribution Percentage of Premium nly / EE + Family)			
Kaiser Permanente HMO \$15 Blue Shield of California HMO \$5 United HealthCare HMO \$15	14% / 67% 10% / 66% 9% / 65%	18% / 47%	Richer / Leaner Richer / Leaner Richer / Leaner

Benchmark reflects MMA West Sample BV

In-Line conclusions reflect values that are +/- 5% of the benchmark

Deductible, Emergency Room copay, and Inpatient copay, benchmark medians are of the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively MARGUSE Sharfing MMAN West Copy and Inpatient copay, respectively MARGUSE Sharfing MMAN West Copy and Inpatient copay, respectively MARGUSE Sharfing MMAN West Copy and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that have a Deductible, Emergency Room copay, and Inpatient copay, respectively make the plans that the plan

## **Benchmarking: HMO Medical**



MARSH & McLENNAN INSURANCE AGENCY LLC

### **Bear Valley Community HeatIhcare District Benchmarking Results Summary – PPO Medical**

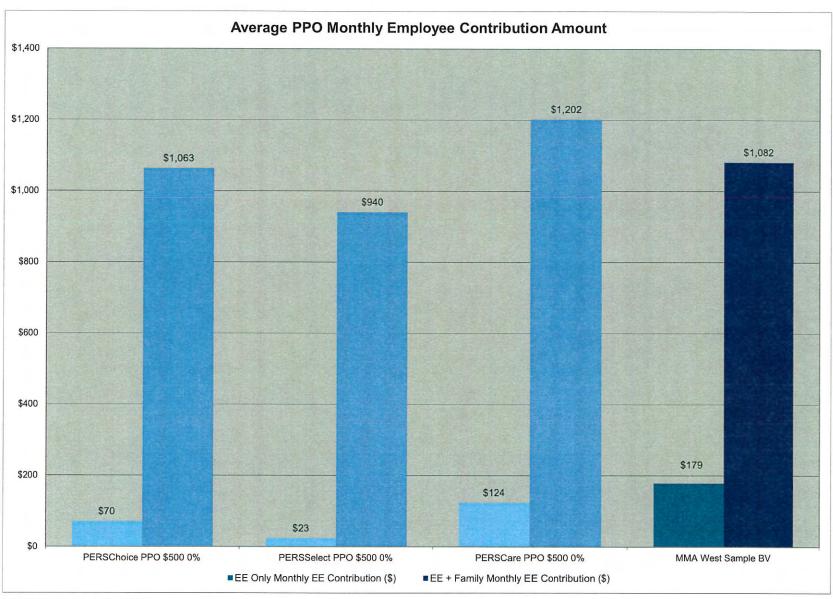
Client Plan ividual In-Network Deductible	Plan Value	Benchmark	Conclusion
PERS Choice PPO \$500 0%	\$500	\$500	In-Line
PERS Select PPO \$500 0%	\$500		In-Line
PERSCare PPO \$500 0%	\$500		In-Line
vidual In-Network Out-of-Pocket Maximum	AND AND AND ASSESSMENT		RECEIVED AND THE PROPERTY OF
PERS Choice PPO \$500 0%	\$3,000	\$3,500	Richer
PERS Select PPO \$500 0%	\$3,000		Richer
PERSCare PPO \$500 0%	\$2,000		Richer
P Visit / Specialist Visit Copay			rantas ikkarasala
PERS Choice PPO \$500 0%	\$20 / \$20	\$20 <b>/ \$28</b>	In-Line / Richer
PERS Select PPO \$500 0%	\$20 / \$20		In-Line / Richer
PERSCare PPO \$500 0%	\$20 / \$20		In-Line / Richer
nergency Room / Inpatient Copay		Addition and the	
PERS Choice PPO \$500 0%	\$50 / \$0	\$100 / \$100	Richer / Richer
PERS Select PPO \$500 0%	\$50 / \$0		Richer / Richer
PERSCare PPO \$500 0%	\$50 / \$0		Richer / Richer
Network Coinsurance	The same of the sa		to a subject to the state of the
PERS Choice PPO \$500 0%	20%	20%	In-Line
PERS Select PPO \$500 0%	20%		In-Line
PERSCare PPO \$500 0%	10%		Leaner
rmacy Copay (Tier 1 / Tier 2 / Tier 3)	MATS-MOVIMENT BY		Service of the Assessment
PERS Choice PPO \$500 0%	\$5 / \$20 / \$50	\$10 / \$30 / \$50	Richer / Richer / In-Line
PERS Select PPO \$500 0%	\$5 / \$20 / \$50		Richer / Richer / In-Line
PERSCare PPO \$500 0%	\$5 / \$20 / \$50		Richer / Richer / In-Line
nthly Premium (EE Only / EE + Family)			<b>企业公共和国公司</b>
PERS Choice PPO \$500 0%	\$620 / \$1,613	\$823 / \$2,485	Lower / Lower
PERS Select PPO \$500 0%	\$573 / \$1,490		Lower / Lower
PERSCare PPO \$500 0%	\$674 / \$1,752		Lower / Lower
ployee Contribution Percentage of Premium E Only / EE + Family)		White Stiffson's	April 1985
PERS Choice PPO \$500 0%	11% / 66%	21% / 43%	Richer / Leaner
PERS Select PPO \$500 0%	4% / 63%		Richer / Leaner
PERSCare PPO \$500 0%	18% / 69%		Richer / Leaner

Benchmark reflects MMA West Sample BV

In-Line conclusions reflect values that are +/- 5% of the benchmark

MA Emergency Room copay and Inpatient copay benchmark medians are of the plans that have an Emergency Room copay and Inpatient copay, respectively

## **Benchmarking: PPO Medical**



# **Bear Valley Community Healthcare District Carriers with Bear Valley Hospital In-Network**

Carriers with a Network available for  Bear Valley Community Healthcare District	In CalPERS	Bear Valley Community Hospital as In-Network Stand Alone Carrier		
		НМО	PPO	
Anthem Select Traditional HMO	Yes	Yes	Yes	
Blue Shield Access HMO	Yes	Yes	Yes	
Health Net SmartCare HMO	Yes	Yes	N/A	
Health Net Salud HMO	Yes	No	N/A	
Kaiser Permanente HMO	Yes	No	No	
United Healthcare Alliance HMO	Yes	No	No	
Aetna	No	No	No	
Cigna	No	No	Yes	

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## **Medical Carriers Approached**

Carrier	AM Best Rating	Status	Notes / Reason for Declination
Anthem	А	CalPERS Incumbent	Quoted
Aetna	А	Quoted	Not Competitive
Cigna	А	Quoted	Level Funded Plan
HealthNet	B++	CalPERS Incumbent	Declined to Quote due to Industry
Blue Shield	А	CalPERS Incumbent	Cannot quote until group terminates with CalPERS
Kaiser	N/R	CalPERS Incumbent	Cannot quote until group terminates with CalPERS
United Healthcare	А	CalPERS Incumbent	Cannot quote until group terminates with CalPERS
Ameritas	А	Incumbent	
EyeMed	Α-	Incumbent	
Mutual of Omaha	A+	Incumbent	

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## **Bear Valley Community Heatlhcare District**

### 2019 Renewal Summary

Medical Renewal (CalPERS 01/01/2019)

• Overall renewal increase = 6.5% or \$851,388 Dental (Ameritas 01/01/2019)

· Renewal = Rate Pass

Vision Renewal (EyeMed 01/01/19)

Final renewal = Rate Pass

Life / DI (Mutual of Omaha 01/01/19)

Final renewal = Rate Pass

### **Annual Total Cost**

Coverage	2018 Costs	2019 Projected Fully Insured Costs
Medical		
Total Annual Cost	\$1,238,556	\$1,257,538
Employer	\$1,020,252	\$1,009,477
Employee	\$218,304	\$248,061
Projected Change (\$)		\$18,982
Projected Change (%)		1.6%

Medical Costs based on CalPERS Renewal rates and same employer contribution and CalPERS eligibility of full-time employees.

MarshMMA Broker fees included.

## Marketing Results Observations

MEDICAL PLANS	HMO PLANS	PPO PLANS	TOTAL ALL	\$ Difference to Current	% Difference to Current
CalPERS					
CURRENT	\$914,454	\$267,402	\$1,238,556		
RENEWAL	\$949,897	\$250,941	\$1,257,538	\$18,982	1.6%
MEDICAL MARKETIN	G SUMMARY				
ANTHEM OPTION 1	\$978,484	\$446,795	\$1,425,279	\$186,723	15.1%
ANTHEM OPTION 2	\$834,631	\$325,118	\$1,159,749	-\$78,807	-6.4%
CIGNA	\$1,042,353	\$420,302	\$1,462,655	\$224,099	18.1%

Note: Costs above include Administration Fees paid to MarshMMA

#### Impact:

- Less choice for employees moving to one carrier
- Marketing results reflect higher HMO out-of-pocket costs to employees including:
  - Copays
  - · inpatient hospitalization
  - · outpatient surgeries, procedures
  - Prescription Drug and formulary changes
  - · Out-of-Pocket Plan maximums

## **Bear Valley Community Healthcare District Plan Renewal & Marketing Overview**

		1/1/2018	1/1/2019	ANTHEM	CIGNA
in the second	# EES *	Current	Renewal	Alternative	Alternative
Medical - CalPERS				Sole Carrier	Sole Carrier (1)
HMO Total	111	\$914,454	\$949,897	\$873,870	\$1,042,353
PPO Total	<u>25</u>	\$267,402	\$250,941	<u>\$403,225</u>	\$420,302
Total Medical	136	\$1,181,856	\$1,200,838	\$1,277,095	\$1,462,655
Broker Fee to MarshMMA		\$56,700	\$56,700	\$56,700	Includes 5%
		\$1,238,556	\$1,257,538	\$1,333,795	Commission
\$ Change			\$18,982	\$95,239	\$280,799
% Change			1.6%	8.1%	23.8%
Dental - Ameritas					
PPO	147	\$119,207	\$119,207	\$119,207	\$119,207
Total Dental	147	\$119,207	\$119,207	\$119,207	\$119,207
\$ Change			\$0	\$0	\$0
Vision - EyeMed					
PPO	144	\$17,362	\$17,362	\$17,362	\$17,362
Total Vision	144	\$17,362	\$17,362	\$17,362	\$17,362
\$ Change			\$0	\$0	\$0
Basic Life - Mutual of Omaha					
(Flat \$20,000)	142	\$3,110	\$3,110	\$3,110	\$3,110
Total Life		\$3,110	\$3,110	\$3,110	\$3,110
\$ Change			\$0	\$0	\$0
Total Annua	al Premium	\$1,321,535	\$1,340,517	\$1,416,774	\$1,602,334
Annual \$ Difference from	m Current		\$18,982	\$95,239	\$280,799
Annual % Difference fro	m Current		1.4%	7.2%	21.2%

<sup>\*</sup> Enrollment provided by the carriers and census.

Note:

(1) Cigna is a level funded plan

CalPERS medical rates are final.

Life/AD&D renewal rates have a rate pass with adjustments to the Voluntary Life rates All rates subject to final underwriting

# **Bear Valley Community Healthcare District Medical HMO Plan Renewal & Marketing Plan Comparison**

MEDICAL		All HMO Plans		Anthem - Alternative 1	Anthem - Alternative 2	CIGNA - Le	vel Funding
HMO Plan				T-Value HMO 20/40/250/3 Day	Value Ded HMO 750 25/40	OAP Du	al Option
Plan Type:		HMO		HMO	HMO	The second secon	MO
Network (Full or Limited):	Limited and Full			Full	Full	Lin	nited
Network Name:		Various		California Care HMO	California Care HMO	In-Network	Out-of-Network
Deductible:		None		None	\$750	\$500 / \$1,000	\$500 / \$1,000
Out of Pocket Maximum:		\$1,500 / \$3,000	)	\$2,500 / \$5,000	\$3,000 / \$6,000	\$3,000 / \$6,000	\$6,000 / \$12,000
Office Visit Copay:		\$15		\$20	\$25	\$20	40%
Specialist Visit Copay:		\$15		\$40	\$40	\$20	40%
npatient Hospitalization:		No Charge		\$250 per day (3 days max)	25% per admit	20% per admit	40% per admit
Outpatient Surgery:		No Charge		\$125 per visit	25% per visit	20% per visit	40% per visit
Emergency Room	\$50 (waived if admitted)		tted)	\$150 (waived if admitted)	\$150 (waived if admitted) + 25%	\$50 (waived	d if admitted)
Jrgent Care	\$15			\$20 (waived if admitted)	\$25 (waived if admitted)	\$25	40%
Rx Deductible:		None /		\$100	\$100	20%	40%
Rx Formulary:				None	None	11.00.00	one
RX Copays:	\$5	/ \$20 / \$50 / \$30 (S)	pecialty)	Essential Formulary List	Essential Formulary List	\$5 / \$20 / \$50	N/A
Specialty Drugs	M. I. P.			1a \$5 /1b \$20 / \$30 / \$50 / 30% to \$250 max	1a \$5 /1b \$20 / \$30 / \$50 / 30% to \$250 max	20%	40%
Chiro:		\$15 (20 visits)		\$10 (30 visits)	\$10 (30 visits)	Not C	overed
Chiro Rider?:		No		Yes	Yes		No.
nfertility Dx and Treatment:		Limited		Not Covered	Not Covered	Diagno	sis Only
	ENROLLMENT CURRENT RENEWAL		RENEWAL	PROPOSED	PROPOSED	PROF	POSED
Employee Only	97			\$564.03	\$481.20	\$685.04	
Employee + 1	11 All HMO Plans CalPERS		CalPERS	\$1,184.48	\$1,010.53	\$1,370.06	
Employee & Family	3 RenewalRates		RenewalRates	\$1,694.11	\$1,443.61	\$1,781.07	
Nonthly Premium	111 \$76,205 \$79,158		\$79,158	\$72,823	\$62,123	\$86	,863
Annual Premium		\$914,454	\$949,897	\$873,870	\$745,477	\$1,04	12,353
Annual \$ Difference to Current			\$35,443	-\$40,584	-\$168,977		7,899
Annual % Difference to Current			3.9%	-4.4%	-18.5%		.0%

Note: Kaiser is unable to quote until Bear Valley terminates with CalPERS

# **Bear Valley Community Healthcare District Medical PPO Plan Renewal & Marketing Plan Comparison**

MEDICAL		All PPO Plan	S	Anthem -	Anthem - Alternative 1		ternative 2	CIGNA - Level Funding	
PPO Plan	St. 12.11			Classic PP	O 500/20/20	Solution PPO 3500/30/30		OAP Dual Option	
Plan Type:		PPO		PPO		PPO		PPO - Level Funded with HRA	
	In-Ne	etwork	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible:		\$500 / \$1,000	)	\$500 / \$1,500	\$1,500 / \$4,500	\$3,500 / \$7,000	\$10,500 / \$21,000	\$5,000 / \$10,000	\$10,000 / \$20,00
Out of Pocket Maximum:	\$3,000	/ \$6,000	None	\$3,500 / \$7,000	\$10,500 / \$21,000	\$6,350 / \$12,700	\$19,050 / \$38,100	\$7,350 / \$14,700	\$15,000 / \$30,00
Office Visit Copay:	\$	20	40%	\$20	40%	\$30	50%	\$20	50%
Specialist Visit Copay:	\$20 (increa	ises to \$35)	40%	\$20	40%	\$30	50%	\$40	50%
npatient Hospitalization:	20% pe	er admit	40% per admit	20% per admit	40% per admit (\$1K max)	30% per admit	50% per admit	30% per admit	50% per admit
Outpatient Surgery:	20% p	er visit	40% per visit (\$350 max)	20% per visit	40% per visit (\$350 max)	30% per visit	50% per visit	30% per visit	50% per visit
Emergency Room		20% (waived if adr	nitted)	\$150 (waived if	admitted) + 20%	\$150 (waived if a	dmitted) + 30%	\$500 (waive	ed if admitted)
Urgent Care	\$20 (increa	ises to \$35)	40%	\$20	40%	\$30	50%	\$100	50%
Coinsurance:	20	0%	40%	2	0%	304	6	30%	50%
Rx Deductible:		None		20%	40%	30%	50%	\$150 Individua	al / \$300 Family
RX Copays:	\$5 / \$2	20 / \$50	Not Covered	1a.\$5 /1b.\$15 / \$30 / \$50 / 30% to \$250 max	Retail + 50%	1a. \$5 /1b.\$20 / \$40 / \$60 / 30% to \$250 max	Retail + 50%	\$10 / \$35 / \$60	N/A
Chiro: (20 Visits/calendar year)	\$15 (20	0 vistis)	40% (20 visits)	\$20 (30 visits)	40% (30 visits)	\$30 (30 visits)	50% (30 visits)	\$20	50%
Chiro Rider?:		No			Vo.	No		1	No
nfertility Dx and Treatment:		Not Covered		Not C	overed	Not Co	vered	Diagnosis Only	
	ENROLLMENT	CURRENT	RENEWAL	PROF	POSED	PROPOSED		PROF	POSED
Employee Only	15			\$86	68.27	\$631.56		\$951.77	
Employee + 1	7	All PPO Plans	CalPERS	\$1,8	23.37	\$1,32	5.27	\$1,9	03.54
Employee & Family	3		RenewalRates	\$2,6	04.81	\$1,894.67		\$2,474.61	
Monthly Premium	25	\$22,284	\$20,912	\$33	3,602	\$24,441		\$35,025	
Annual Premium		\$267,402	\$250,941	\$40	\$403,225		\$293,296		0,302
Annual \$ Difference to Current			-\$16,461	\$13	5,823	\$25,8	193	\$15	2,900
Annual % Difference to Current			-6.2%	50	.8%	9.7	/6	57	.2%
Broker Fee: (est monthly)	150	\$4,725	\$4,725	\$4,725		\$4,7	25	Includes 5%	Commission
COMBINED TOTALS:		CURRENT	RENEWAL	PROPOSED - 12 Month Rates Eff. 1/1/19		PROPOSED - 12 Mor	th Rates Eff. 1/1/19	CIGNA P	ROPOSED
Monthly Premium	136	\$103,213	\$104,795	\$111,150		\$91,2	289	\$12	1,888
Annual Premium		\$1,238,556	\$1,257,538	\$1,33	33,795	\$1,095	,472	\$1,46	62,655
Annual \$ Difference to Current			\$18,982	\$95	5,239	-\$143	084	\$22	4,099
Annual % Difference to Current			1.5%	7.	7%	-11.6	5%		.1%

MARSH & McLENNAN INSURANCE AGENCY LLC

## Medical Plan Renewal & Marketing Plan Rate Detail

Medical HMO Plan 1		Anthem HM	O Select - LA/SB
	Enrollment*	Current	Initial Renewal
Employee Only	2	\$660.17	\$627.07
Employee + 1	0	\$1,320.34	\$1,254.14
Employee & Family	0	\$1,716.44	\$1,630.38
Monthly Premium	2	\$1,320	\$1,254
Annual Premium		\$15,844	\$15,050
\$ Difference to Current			-\$794
% Difference to Current			-5.0%
Medical HMO Plan 2		Blue Shield Acc	ess+ HMO - LA/SB
medical mino man 2	Enrollment*	Current	Initial Renewal
Employee Only	11	\$613.29	\$669.75
Employee + 1	0	\$1,226.58	\$1,339.50
Employee & Family	1	\$1,594.55	\$1,741.35
Monthly Premium	12	\$8.341	\$9,109
Annual Premium	12	\$100,089	
		\$100,089	\$109,303
\$ Difference to Current			\$9,214
% Difference to Current			9.2%
Medical HMO Plan 3			lud y Mas - LA/SB
	Enrollment*	Current	Initial Renewal
Employee Only	4	\$404.32	\$356.50
Employee + 1	0	\$808.64	\$713.00
Employee & Family	0	\$1,051.23	\$926.90
Monthly Premium	4	\$1,617	\$1,426
Annual Premium		\$19,407	\$17,112
\$ Difference to Current			-\$2,295
% Difference to Current			-11.8%
Medical HMO Plan 4		Health Net Sn	nartCare - LA/SB
	Enrollment*	Current	Initial Renewal
Employee Only	26	\$577.15	\$584.27
Employee + 1	4	\$1,154.30	\$1,168.54
Employee & Family	0	\$1,500.59	\$1,519.10
Monthly Premium	30	\$19,623	
Annual Premium	30	\$235,477	\$19,865 \$238,382
\$ Difference to Current		\$235,411	\$2,905
% Difference to Current			
		THE REAL PROPERTY.	1.2%
Medical HMO Plan 5			HMO - LA/SB
	Enrollment*	Current	Initial Renewal
Employee Only	22	\$642.70	\$618.64
Employee + 1	1	\$1,285.40	\$1,237.28
Employee & Family	2	\$1,671.02	\$1,608,46
Monthly Premium	25	\$18,767	\$18,064
Annual Premium		\$225,202	\$216,771
Difference to Current			-\$8,431
% Difference to Current			-3.7%
Medical HMO Plan 6		UHC HA	AO - LA/SB
	Enrollment*	Current	Initial Renewal
Employee Only	31	\$602.78	\$669.61
Employee + 1	6	\$1,205.56	\$1,339.22
Employee & Family	0	\$1,567.23	\$1,740.99
Monthly Premium	37	\$25,920	\$28,793
Annual Premium		\$311,034	\$345,519
\$ Difference to Current		9311,034	\$34,484
% Difference to Current			11.1%
Medical HMO Plan 6		IIII	
Medical HWO Plan 6			O - RIV/OC
	Enrollment*	Current	Initial Renewal
Employee Only	1	\$616.66	\$646.65
Employee + 1	0	\$1,233.32	\$1,293.30
Employee & Family	0	\$1,603.32	\$1,681.29
Monthly Premium	1	\$617	\$647
Annual Premium		\$7,400	\$7,760
Difference to Current			\$360
6 Difference to Current			4.9%
	TOTAL HMO		
	The second second		
Employee Only	97		
Employee Only Employee + 1	11		
Employee + 1			
	-11	\$76.205	\$79,158

Negotiated Renewal Savings	Government	Health Care	All Industries
All HMO Plans			
Employee Only	\$636.91	\$596.55	\$539.17
Employee + One	\$1,284.94	\$1,272.50	\$1,166.87
Employee + Child(ren)	N/A	\$1,104.23	\$964.32
Employee + Family	\$1,691.73	\$1,800.80	\$1,623.79
Limited HMO Plans			
Employee Only	\$606.63	\$565.82	\$506.88
Employee + One	\$1,227.93	\$1,212.09	\$1,091.54
Employee + Child(ren)	N/A	\$1,072.38	\$899.88
Employee + Family	\$1,641.67	\$1,740.77	\$1,519.54
Full HMO Plans			
Employee Only	\$758.00	\$640.72	\$590.15
Employee + One	\$1,513.00	\$1,359.34	\$1,286.61
Employee + Child(ren)	N/A	\$1,148.59	\$1,057.72
Employee + Family	\$1,892.00	\$1,887.09	\$1,788.37
PPO Plans			
Employee Only	\$986.61	\$817.09	\$709.60
Employee + One	\$2,016.79	\$1,797.04	\$1,601.22
Employee + Child(ren)	N/A	\$1,518.67	\$1,266.67
Employee + Family	\$2,676.20	\$2,505.33	\$2,161.14
CDHP Plans			
Employee Only	N/A	\$576.81	\$541.17
Employee + One	N/A	\$1,247.73	\$1,182.44
Employee + Child(ren)	NA	\$1,064.79	\$961.25
Employee + Family	N/A	\$1,736.54	\$1,650.50

Medical PPO Plan 1	PERS Choice PPO			
	Enrollment*	Current	Initial Renewal	
Employee Only	6	\$620.39	\$654.50	
Employee + 1	3	\$1,240.78	\$1,309.00	
Employee & Family	0	\$1,613.01	\$1,701.70	
Monthly Premium	9	\$7,445	\$7,854	
Annual Premium		\$89,336	\$94,248	
\$ Difference to Current			\$4,912	
% Difference to Current			5.5%	
Medical PPO Plan 2		PERS Select PPO		
A self-free land and a self-	Enrollment*	Current	Initial Renewal	
Employee Only	8	\$573.21	\$420.77	
Employee + 1	4	\$1,146.42	\$841.54	
Employee & Family	1	\$1,490.35	\$1,094.00	
Monthly Premium	13	\$10,662	\$7,826	
Annual Premium		\$127,941	\$93,916	
\$ Difference to Current			-\$34,025	
% Difference to Current			-26.6%	
Medical PPO Plan 3		PERSCare PPO		
	Enrollment*	Current	Initial Renewal	
Employee Only	1	\$673.73	\$843.78	
Employee + 1	0	\$1,347.46	\$1,687.56	
Employee & Family	2	\$1,751.70	\$2,193.83	
Monthly Premium	3	\$4,177	\$5,231	
Annual Premium		\$50,126	\$62,777	
\$ Difference to Current			\$12,652	
% Difference to Current			25.2%	
Employee Only	15			
Employee + 1	7			
Employee & Family	3			
Monthly Premium for PPO	25	\$22,284	\$20,912	
Annual Premium for PPO		\$267,402	\$250,941	

From Negotiated Savings slide #15

MARSH & McLENNAN INSURANCE AGENCY LLC



# CalPERS Adopts Health Rates With a 1.16 Percent Increase

June 20, 2018

Communications & Stakeholder Relations
Contact: Stephanie Buck, Information Officer
(916) 795-3991 - newsroom@calpers.ca.gov

SACRAMENTO, Calif. – The CalPERS Board of Administration today approved health care rate and plan changes for 2019 that include an average 1.16 percent overall premium increase, marking the lowest health premium increase CalPERS has negotiated in over two decades. Amid increasingly volatile health care markets across the industry, CalPERS continues to achieve historically competitive prices.

"Once again, we've negotiated premium increases that are among the lowest in the nation," said Rob Feckner, chair of the Pensions Health and Benefits Committee. "On top of the success we saw last year in keeping increases low, this is another sign how aggressive and successful we've been in maintaining quality of care and being diligent about costs on behalf of our members."

Members enrolled in CalPERS' Basic (non-Medicare) Health Maintenance Organization (HMO) health plans will see a 0.37 percent average premium increase. Members enrolled in Preferred Provider Organization (PPO) plans will see an overall average increase of 2.83 percent. CalPERS Medicare plan enrollees will see their premiums increase by an average 1.37 percent.

The new rates will take effect on January 1, 2019.

According to the PwC's Health Research Institute, health care costs for employers and insurers nationwide are projected to increase 6 percent in 2019.

CalPERS is projected to spend \$9.3 billion in 2018 to purchase health benefits for 1.4 million active and retired state, local government, and school employees and their families. It is the second largest purchaser of health care in the country, behind the federal government.

Among notable health plan and benefit changes for 2019:

• Overall rates for seven of the nine HMO plans will be less than the 2018 rates.

- Health Net will leave the Sacramento market in 2019.
- Blue Shield Access+ will exit eight Bay Area counties in 2019.
- A pilot program for reference-pricing pharmaceuticals will begin with three therapeutic classes: Nasal corticosteroids, thyroid medications, and estrogens. Reference-pricing has been shown to improve transparency in drug pricing by offering members lower-cost therapeutic alternative drugs.
- The PERS Select Basic PPO plan will adopt a value-based insurance design. The approach aims to improve quality and lower costs associated with health care by emphasizing primary care and introducing cost incentives to lower deductibles.
- SpineZone, an online back and neck pain program, and Wisdom, a study to optimize breast cancer screening, will be available to PPO members.

"CalPERS continues to champion health care innovation to improve health outcomes and reduce costs," said Priya Mathur, president of the CalPERS Board. "Despite the volatility in health care, we're always looking for new and creative ways to add value for our members."

To offset the financial impact of changes in patient utilization and other medical cost increases, the Board adopted two "buy down" efforts. Using funds from its health reserve, CalPERS allocated funds to buy down the premium for its PERSCare PPO plan and premiums for Medicare PPO plans.

"The buy down of PERSCare is intended to smooth premium increases over the next two years," said Liana Bailey-Crimmins, CalPERS health director. "We want to make sure that the 35,000 members who belong to PERSCare can reasonably plan for the increased costs."

The 2019 premiums reflect the Board's decision last year to stop risk-adjusting rates.

Detailed information on 2019 rates for active and retired members are available on the CalPERS website.

CalPERS members can make changes to their health plan choices during the annual Open Enrollment period, September 10 to October 5, 2018. Open Enrollment materials and information on health plan options will be available through members' my | CalPERS & accounts beginning August 27, 2018.

For the first time, members will be able to access Open Enrollment information on an application designed specifically for mobile devices, to be announced later this summer.

# About CalPERS

For more than eight decades, CalPERS has built retirement and health security for state, school, and public agency members who invest their lifework in public service. Our pension fund serves more than 1.8 million members in the CalPERS retirement system and administers benefits for more than 1.4 million members and their families in our health program, making us the largest defined-benefit public pension in the U.S. CalPERS' total fund market value currently stands at approximately \$353 billion. For more information, visit www.calpers.ca.gov.



# **MEMO**

Date: July 25, 2018

To: Board of Directors

From: Mary Norman, Risk/Compliance

CC: John Friel, CEO

Re: Travel Reimbursement for Tomi Hagan, QHR Compliance

### **RECOMMENDATION:**

Approval of travel expenses for Tomi Hagan, QHR Compliance, not to exceed \$2000.00.

## **BACKGROUND:**

Tomi Hagan, QHR Compliance, would like to conduct a comprehensive onsite Compliance Program Assessment on September 5-7, 2018. We have obtained a signed agreement so that the findings of this work project can be presented under attorney-client privilege.

# **RESOLUTION NO. 18-455**

# RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT ADOPTING A PROCLAMATION FOR DON & CAROL BREMER AS 2018 HUMANITARIAN OF THE YEAR

WHEREAS, the Bear Valley Community Healthcare District has enjoyed the support of the Bear Valley Community Healthcare District Foundation for decades and has collaboratively worked with the Foundation to add services, equipment and programs that benefit patients and the community at large.

WHEREAS, Don & Carol Bremer have supported Bear Valley Community Healthcare District Foundation Board as donors and advocates.

WHEREAS, during their tenure with Bear Valley Community Healthcare District Foundation has received thousands of dollars through the communities generosity and support.

WHEREAS, Bear Valley Community Healthcare District is greatly appreciative of Don & Carol Bremer's leadership as volunteer's and donors and hereby pass this resolution in honor of Don & Carol Bremer being selected as Humanitarian of the year in 2018 by Bear Valley Community Healthcare District Foundation.

WHEREAS, Bear Valley Community Healthcare District hold Don & Carol Bremer in high esteem and desire to make this known for the record; the Bear Valley Community Healthcare District does proclaim its deep and sincere gratitude for, and appreciation of, the dedication, talent, and service of Don & Carol Bremer; and the Bear Valley Community Healthcare District does hereby commend Don & Carol Bremer for their many significant accomplishments on behalf of the Bear Valley Community Healthcare District.

APPROVED AND ADOPTED this 15th, day of August 2018.

Rob Robbins, President, Board of Directors

Peter Boss, M.D., Secretary, Board of Directors

#### Bio for Don and Carol Bremer

Per Don "The summer of 1953, my second year at Wayne State College, was my greatest summer... the summer I met Carol Rankin, the gal of my life and a beautiful farm girl from Neligh, Nebraska. She had been a candidate for Homecoming Queen in high school and now, at Wayne State, was candidate for "Queen of Green." We met, we danced and we fell in love."

Don was born in Sioux City, Iowa; Carol in Neligh, Nebraska. They met at Wayne State College in 1953, married in 1955. Don initially studied pre-engineering; later studied to be an educator. Carol also studied to be a teacher. In 1954 Don was drafted by the Army to serve during the Korean Conflict. Later he was one of 20 recruits chosen to serve in the Conflict's Nike Guided Missile Battalion. Don's unit was assigned to Norfolk, VA to install missiles to replace anti-air craft guns and assist in the protection of the eastern coast of the United States. In 1955 Carol joined Don and worked as a Purchasing and Contracting Clerk at Fort Eustis, VA.

Don served as an educator in Chino, CA for 35 years, first as a Math and Drafting teacher, then as Junior High Vice-Principal, later 15 years as Principal of Boys Republic High School, a position he particularly enjoyed. Carol also taught (first as sole teacher of a one-room country school at age 17), later as an urban school 7<sup>th</sup>-8<sup>th</sup> Grade Teacher. She also served as a Head Teacher and Vice-Principal, then as a 7<sup>th</sup>-8<sup>th</sup> Grade School Counselor, the position she loved most. Carol this year donated a week of time as a Volunteer Counselor for abused children at Camp Alandale.

Don and Carol also invested in real estate. Upgrading blighted property areas soon became a focus for the couple. Don soon became involved in working with City Governments and other owners to create owner associations which adhered to higher owner standards. These groups involved approximately a thousand different units. Both Don and Carol served on Boards of these Associations from their inception to the present. Don served as President for two of these groups until last year. Carol continues to serve as Secretary for two of the Boards.

The Bremer's charitable endeavors include founding a Charitable Foundation and creating six endowed annual scholarships of \$1,000 or more each year. They have each given much time working with community organizations such as Rotary, DOVES, Church, Schools, PTA, Scouting, Woman's Club, AAUW, Boys Republic, Rotary Early Act and Rotary Friendship Exchange. They have made significant contributions to Big Bear organizations such as the Big Bear Hospital Foundation, Big Bear Alpine Zoo, the CATS Performing Arts and Performing Arts Theater, the Big Bear American Legion Post, the Big Bear Elks Club, Big Bear Mountain Top Strings and numerous other Big Bear Organizations. Both Don and Carol have passionately supported causes of Rotary both internationally and locally. Don and Carol frequently hosted community fundraiser events for DOVES and for Rotary. They have also hosted events for the Big Bear Mountain Top Strings and for AAUW (BBV Women in the Arts). As members of the Big Bear

Antique Car Club both Don and Carol helped with the Big Bear Fun Run and other Car Club activities. Don especially enjoyed being asked to drive his 1968 Corvette Convertible to carry Big Bear High School Homecoming Royalty each fall and occasional other celebrities in other Big Bear parade events.

Don and Carol have both believed in the causes of Rotary. They are Level Three Major Donors of Rotary and both belong to the Paul Harris Society. Don was Chino Rotary President in 1990-91 and served in most Chino Rotary officer positions as well as Chino Rotary Foundation Chair for five years. Don received Chino's "Rotarian of the Year" Award in 2009. Don also served District 5300 as Future Build Chair and as Donor Advisor Chair. During this time Don and Carol participated in a District 5300 Build Project in the City of Tecate, Mexico, going there to help build three homes and a Children's Nursery Facility, a project they both greatly enjoyed.

Don and Carol served District 5330 as District Donor Advisors in 2013-14. Don was Big Bear Rotary Foundation Chair for several years and Carol served as International Chair. It was during this time that Don first proposed that Big Bear Rotary undertake leading a community project to help the local hospital. Don, Carol and Ron Peavy approached the Hospital Administration to discuss such a project. Several possible projects were discussed, but it was decided that the upgrading of hospital patient rooms was greatly needed and a project which could also be incrementally accomplished. Don further suggested that a Rotary Valentine Sweetheart Ball might be an event the Community would support as a fundraiser for a hospital upgrade project. Members of the Rotary Club embraced the idea, Members of the Hospital Foundation pledged their support, and the Community got on board. Don and Carol co-chaired the project. Over the next three years and three Sweetheart Balls a total of \$110,000.00 was raised. (\$8,750.00 in Grant Funds did come from Rotary District 5300 / Grant sought by Carol and Don.)

Don and Carol received the "Alumni Achievement Award" from Wayne State College in 2009. They have served on the Wayne State College Foundation Board since 2004. In 2012 Don also received an "Alumnus of the Year" Award from Laurel High School in Laurel, Nebraska. He has also received the "Royal Order of the Della Robbia" Award from Boys Republic. In 2013 Don and Carol were honored with the Big Bear Rotary "Eagle of Excellence" Award.

Don and Carol have loved Big Bear and have loved being involved with many of the Big Bear organizations and activities. They moved to Chino, California from Nebraska after Don's graduation from Wayne State College in 1958 and made a visit to Big Bear soon thereafter. Trips to Big Bear became happy events through the years. They bought their first Big Bear home in 1981 and have lived in their current home since April 2005.

Don and Carol have three sons, seven grandchildren and six great grandchildren. They were married for 62 ½ years. They had a Big Bear 60<sup>th</sup> Wedding Anniversary Celebration in 2015.

# **Shelly Egerer**

From: Sarah Siep <ssiep@CITYBIGBEARLAKE.com>

Sent: Thursday, July 26, 2018 12:57 PM

To: Shelly Egerer Cc: Sarah Siep

Subject: FW: Letter of Support for a Grant

Attachments: Draft Letter for BVCHD.doc; BVHCD - Past ATP Letter of Support.pdf;

Map\_Project\_ATP\_LakesideLoop.pdf

Importance: High

# Good Afternoon Shelly,

I am hoping that you will be able to assist me in obtaining a signature for the attached letter of support from the BVCH District for the Lakeside Loop ATP Grant. Ruth Lorentz here in our offices sent the below email to one of your board members but has not yet hear back. We need the letter no later than Monday.

Please let me know if you have any questions. Thank you!

From: Ruth Lorentz

Sent: Wednesday, July 18, 2018 10:40 PM

To: 'rob.robbins@bvchd.com' < rob.robbins@bvchd.com>

Subject: Letter of Support for a Grant

Dear Mr. Robbins,

The City Council has authorized an application for an Active Transportation Program (ATP) grant. We have consulted with local and regional transportation agencies and Caltrans, and have identified a qualifying project, titled the "Lakeside Loop". This proposal is for the pre-construction phase including environmental review, engineering and design, and perfection of the right-of-way for the eventual construction of the Lakeside Loop. To give you a visual of the Lakeside Loop project area, I have attached a project map.

The Lakeside Loop is a 17-mile non-motorized transportation alternative around Big Bear Lake connecting commercial, residential, and recreational sites for the benefit of residents and regional visitors. The scenic route will maximize the use of available right-of-way consisting of an existing highway system with State Route 18 on the south side of the lake and State Route 38 along the north side. Both State Routes converge at the Big Bear Dam as the principal entry point into Big Bear Valley and form the primary access corridor through the Valley.

The loop route consists of approximately 6 miles of completed Class 2 Bike Lanes and pedestrian sidewalks on State Route 18/Big Bear Boulevard. The balance of approximately 11 miles of the route remains the subject of the proposal, in order to link the north unincorporated San Bernardino County communities and National Forest's public lands to the south shore amenities and neighborhoods of the City of Big Bear Lake. The Lakeside Loop adds a complete street layer to the corridor to improve user safety, provide safe routes to school, and links to existing and planned future trails, sidewalks, and multi-use paths, as well as to a future transit center for a transformative multi-modal experience.

We greatly appreciate your support on past grant and trail projects, including the 2017 ATP grant application for the Rathbun Creek Extension project. A copy of the past letter of support is attached for your reference. Also attached is a current letter of support for the Lakeside Loop, modeled after your past letter. Should BVHCD wish to express support for the Lakeside Loop during this grant cycle, please feel free to review, change, add your letterhead, sign and return the "Draft Letter for BVHCD". Please return the final letter via email to me by July 27, 2018.

If you have any questions, please feel free to contact us.

Sincerely,

Ruth Lorentz Principal Planner City of Big Bear Lake

(909) 866-5831 Ext. 124 (909) 866-7551 Fax

www.CityBigBearLake.com





August 15, 2018

CALTRANS
Division of Local Assistance
1120 N Street, MS 1
Attn: Office of State Programs
Sacramento, CA 95814

To Whom It May Concern:

The Bear Valley Community Healthcare District's mission is to deliver the highest quality of healthcare to the residents of and visitors to Big Bear Valley. With this mission in mind, we are pleased to support for the City of Big Bear Lake's ATP grant application for the environmental review, engineering and design, and perfection of the right-of-way for the eventual construction of the Lakeside Loop.

Bike lanes, sidewalks, and multi-use trails; such as those which will make up the Lakeside Loop; provide opportunities for exercise, recreation, and non-motorized transportation. When our employees, residents, and visitors choose to bike or walk, they are practicing healthy active lifestyles and help to minimize traffic congestion and associated air and water pollutants. Creating safe ways to walk or bike is crucial to effectively increase walking and biking.

In addition, Big Bear is a place of healing that attracts young people seeking well-being away from densely packed urban areas. Retirees looking to safely walk or bike their way back to health following surgeries or as part of their active health routines also rely on Big Bear's non-motorized transportation network. These related healthcare services and activities are also an important area of growth for our local economy.

As President of the Bear Valley Community Healthcare District, I am pleased that the City is working to grow our pedestrian and bicycle network. The Lakeside Loop links the north and south shores of the Big Bear Lake, and provide employees living along the North Shore a safe biking or walking commute to the Hospital site on the South Shore (in the City of Big Bear Lake).

Thank you for receiving our letter of support. Please consider the City's application for the Lakeside Loop project favorably.

Sincerely,

Rob Robbins Bear Valley Community Healthcare District



# **Board Report**

August 2018

### **CEO Evaluation**

Ron Vigus will be reviewing the CEO evaluation with the Board. Any compensation changes and development of goals for FY19 will also be discussed.

# **Compliance Assessment**

The QHR team will be on-site Sept. 9 - 7.

# **Physician Work RVUs**

Physician Practice Management consultants talked by telephone with Garth Hamblin and Bear Valley staff to assist in developing a productivity monitoring system for providers. This support will continue.

# **Mock Survey**

The consultant that will review the Environment of Care and Life Safety compliance will be onsite in August to complete the Survey.

# **Upcoming Education Events – August**

# 08/03/18 Quality Regulatory Updates

August 3, 2018 10:30 - 11:30 am CST

08/14/18 - 08/16/18 Reimbursement & Regulatory Update: Final Inpatient PPS Annual Rule & Reimbursement Changes 3-part Series

August 14 - August 16, 2018 2:00 - 3:00 pm CST

**08/16/18 Compliance Officer Hot Topics: Compliance Case Studies** August 16, 2018 10:30 - 11:30 am CST

08/21/18 - 08/23/18 Reimbursement & Regulatory Update: Outpatient PPS & PFS Proposed Rules 3-part Series

August 21-23, 2018 11:00 am - 12:00 pm CST

08/21/18 Think You Need a New EHR?

August 21, 2018 2:00 - 3:00 pm CST



# **Other**

Ron Vigus is planning to attend the Board meeting.

# 2018 Quorum Health Board Essentials Workshop

August 8, 2018 – Omni Hotel, Nashville, TN August 9-10, 2018 – Omni Hotel, Nashville, TN

# **Upcoming Projects**

- CAH Mock Survey August 2018
- Cost Report Review following preparation of Cost Report

# **Completed Projects**

- IT Assessment
- Revenue Cycle Assessment
- Compliance Implementation/ Compliance Risk Assessment
- Mock Survey (Quality)
- QPA Supply Chain Review
- Contractual Allowances and Bad Debt Review
- Financial Operating Review



# **CNO Monthly Report**

TOPIC	UPDATE	ACTION/FOLLOW UP
1. Regulatory Updates	<ul> <li>CDPH onsite for blood gas survey. Plan of Correction was submitted. Monitoring for compliance is in process and will be reported through the appropriate Medical Staff Committee.</li> </ul>	<ul> <li>Informational</li> </ul>
2. Budget/Staffing	<ul> <li>Overtime and call offs are assessed each shift.</li> <li>Flexing of staff is done daily as warranted by census.</li> </ul>	<ul><li>Continue to monitor</li></ul>
3. Departmental Reports		
■ Emergency Department	<ul> <li>ED remodel project update: Cabinets to start 8/7/18, followed by paint and flooring.</li> <li>Monitoring for compliance with Plan of Correction has been implemented. ED Manager is completing chart audits and reporting results through the QI Committee.</li> <li>Stroke committee met again to review recent cases and revise policy/ procedure.</li> <li>ED Staff and Pt Access Staff are being interviewed regarding customer service issues in the ED. A workgroup will be formed to work on improvement strategies for patient experience.</li> </ul>	Informational
■ Acute	<ul> <li>Informatics/ IT is working with CPSI to investigate E-prescribing system for hospitalists.</li> <li>Case Manager has formed "re-admissions" workgroup, the focus will be on preventing Heart Failure readmissions to BVCH and surrounding hospitals.</li> </ul>	<ul> <li>Continue to monitor</li> </ul>
<ul> <li>Skilled Nursing</li> </ul>	<ul> <li>SNF Payroll Based Journal reporting (PBJ) has been changed so that all SNFs must show at least 8 hours of RN coverage per day (including weekends) or one full star will be automatically lost. Right now BVCHD only has 5 days/ week RN coverage</li> </ul>	<ul><li>Continue to monitor</li><li>Informational</li></ul>

	<ul> <li>through the SNF DON. Either we will need to hire an additional SNF RN for weekend coverage or we will forfeit one star.</li> <li>SNF DON is working with payroll staff to automate PBJ reporting process.</li> <li>Census is currently at 16 residents; all waiting list applicants have been called and are not currently appropriate for placement. Case Manager is continuing to network with other SNFs through collaborative meetings and is hosting a meeting in October at BVCHD with a "networking" opportunity immediately following the meeting.</li> <li>SNF QAPI meeting was held, several projects are ongoing including: Fall reduction, Restorative Nursing program &amp; Hand Hygiene monitoring.</li> <li>SNF DON is revising SNF Policies.</li> <li>SNF DON interviews are being scheduled. As of 8/6/18 there is one applicant (internal) that is appropriate for the position.</li> <li>SNF LGBT training has been completed as per new Ca regulations.</li> </ul>	
<ul> <li>Surgical Services</li> </ul>	<ul> <li>Orthopedic procedures being done weekly</li> <li>Ophthalmic procedures being done monthly</li> <li>Recommendations from mock CAH survey and Relicensing survey have been implemented.</li> <li>One PD surgical tech has been hired.</li> <li>OR is in need of repair (flooring, painting, etc.) if surgeries are to continue.</li> </ul>	<ul> <li>Monitor surgical services costs and FTEs</li> </ul>
<ul> <li>Case Management</li> </ul>	<ul> <li>DON and Eligibility Worker are working on referrals for SNF residents and Swing patients.</li> <li>Case Manager attended Readmissions Collaborative.</li> <li>One PD Case Manager has been hired.</li> </ul>	<ul><li>Continue to monitor</li></ul>
<ul> <li>Respiratory Therapy</li> </ul>	<ul> <li>RT Supervisor position has been filled.</li> <li>RT Supervisor and Lab Manager completed and submitted the 2567 for the recent blood gas survey.</li> <li>RT Supervisor is in the process of hiring 2 PD staff.</li> <li>One RT is out on FMLA.</li> </ul>	<ul> <li>Informational</li> </ul>

<ul><li>Physical Therapy</li></ul>	<ul> <li>Manager is working to plan for FY19 budgeted equipment replacement and department improvements.</li> </ul>	<ul> <li>Informational</li> </ul>
<ul> <li>Food and Nutritional Services</li> </ul>	<ul> <li>Point of Sale system has been approved and will be implemented, the new system will allow for credit card use in the cafeteria as well as payroll deductions for employee cafeteria use.</li> <li>New quality indicators for Dietary Assessments on the SNF unit have been implemented. Monitoring will take place for a minimum of 6 months.</li> </ul>	<ul> <li>Informational</li> </ul>
4. Infection Prevention	<ul> <li>Hand Hygiene monitoring continues.</li> <li>Infection Preventionist is rounding weekly to educate staff on hand hygiene and infection issues.</li> <li>Infection Preventionist attended an Infection Control Risk Assessment training.</li> <li>Infection Preventionist is conducting monthly rounds to monitor POC compliance and is reporting findings through Infection Control Committee</li> <li>Infection Preventionist conducted a terminal cleaning in service for EVS workers. A new checkoff list/ competency process will be implemented for the OR.</li> </ul>	■ Informational
5. QAPI	<ul> <li>All management staff and the majority of front line staff have been trained on Just Culture.</li> <li>BETA HEART communication workgroup continues to recommend the following be implemented in each department:         <ul> <li>Rounding program</li> <li>Stoplight boards</li> <li>Huddles</li> </ul> </li> <li>Progress is reported in QI committee.</li> <li>PFAC project for ED lobby and ED art work is in process. Photographs have arrived and are waiting to be hung for display.</li> <li>PFAC will meet in August for their quarterly meeting.</li> </ul>	<ul> <li>Informational</li> <li>Continue process for Just Culture/ BETA Heart implementation</li> <li>Continue quarterly PFAC meetings</li> </ul>

	<ul> <li>SCORE survey results are in the process of being debriefed in each department. Summaries from the debriefings are being shared with the department manager. After all departments are debriefed an action plans will be developed.</li> <li>CAH Mock Survey action plan (done by QHR consultant) has re-sent to managers for progress/completion updates.</li> </ul>	
6. Policy Updates	<ul> <li>Policies reviewed weekly by Policy and Procedure committee.</li> </ul>	<ul><li>Reviewed through P&amp;P Committee</li></ul>
7. Safety/Product	<ul> <li>Workplace Violence training is being provided to all BVCHD staff.</li> <li>Workplace Violence reports are submitted to CalOSHA on an ongoing basis.</li> <li>Workplace Violence Plan was reviewed and approved by Safety Committee.</li> <li>Injury and Illness Prevention Plan was reviewed and approved by Safety Committee.</li> <li>ICEMA submitted letter to BVCHD regarding status of Disaster (HPP) MOU. ED Manager has submitted a response and POC to ICEMA regarding equipment purchases and upgrades needed to keep in compliance with ICEMA standards.</li> </ul>	<ul> <li>Continue to monitor new regulation and compliance dates</li> </ul>
8. Education	<ul> <li>BLS Classes scheduled monthly, ACLS &amp; PALS scheduled quarterly</li> <li>Smoking Cessation classes being held as scheduled.</li> <li>Heart Rhythm class was offered in a three session class to ED/ Acute staff by a clinical manager. The class was successful and will be offered again for those that were unable to attend.</li> <li>Nursing skills orientation/ annual review of competency is being held quarterly for all clinical staff.</li> </ul>	Continue to monitor
9. Information Items/Concerns	<ul> <li>Nurse Leaders are continuing to round daily to educate staff on current issues in the district and to</li> </ul>	<ul><li>Informational</li></ul>

	encourage feedback on staff that need to be recognized for excellent performance. Staff feedback for this program has been positive.	
Respectfully Submitted by:		
Kerri Jex, CNO	Date: August 6th, 2018	

# 2018 Surgery Report

Apr-18									
Physician	# of Cases	Procedures							
Critel - CRNA	3	LESI							
Critel - CRNA	1	Shoulder Injection							
Critel - CRNA	1	Hip Injection							
Critel - CRNA	1	Carpal Tunnel Injection							
Critel - CRNA	1	Trigger Point							
Pautz - DO	2	Fulkerson's Osteotomy Knee							
Pautz - DO	1	Orif Ankle							
Tayani	10	Cataracts							
Total	20								

May-18									
Physician	# of Cases	Procedures							
Critel - CRNA	3	Hip Injection							
Critel - CRNA	1	LESI							
Critel - CRNA	1	Trigger Point							
Critel - CRNA	1	Elbow Injection							
Tayani	0	Cataracts							
Total	6								

		Jun-18
Physician	# of Cases	Procedures
Critel - CRNA	1	LESI
Critel - CRNA	1	Trigger Point
Critel - CRNA	1	Foot Injection
Critel - CRNA	1	Elbow Injection
Pautz - DO	1	Repair Distal Biceps Tendon Right Elbow
Pautz - DO	1	A-1 Pulley Release
Pautz - DO	1	ORIF Ankle
Pautz - DO	1	Capsulectomy with Tenolysis 2-5th Metacarpals
Tayani	10	Cataracts
Total	18	
		Jul-18
Physician	# of Cases	Procedures
Critel - CRNA	1	LESI
Pautz - DO	3	Shoulder, Rotator Cuff Repair And Biceps Tenodesis
Pautz - DO	1	MPFL Reconstruction of Knee
Pautz - DO	1	Removal of Hardware
Pautz - DO	1	Open Cheilectomy
Pautz - DO	1	Repair Malunion of Thumb
Pautz - DO	1	Open Drill Osteoclasis of Forearm
Tayani	0	Cataracts
Total	9	



### CHIEF EXECUTIVE OFFICER REPORT

### **July 2018**

### **CEO Information:**

The Wage & Salary implementation of the Board approved 2018 salary plan is completed and has been well received.

I continue to participate in the Bear Lake Fire Department, Community Service Coverage Workshop, on July 11, 13 & 21<sup>st</sup> and August 14. Once again Board Members are welcome and encouraged to attend. Please let me know if you are interested.

I will be attending the QHR Executive Leadership & Trustee Conference, which is scheduled for August 7-10<sup>th</sup> in Tennessee. I will be on vacation from July 31 through August 3<sup>rd</sup>.

Due to a conflict in schedules, an email was sent to the full Board to reschedule the Board Retreat on September 22, 2018. Topics will include the Strategic Plan, future financial needs and a presentation by Moon & Mayoras on the retrofit project etc.

It is with great pleasure to report that the Mom & Dad Project has received the Elks National Foundation Grant on July 12. (Attachment)

We have begun developing the Grant Writer job description and duties and expect to have a contract in place by September 30<sup>th</sup>.

### **Employee Relations:**

We conducted our Annual Employee Recognition Luncheon. Thirty employees with a total of 315 years of service were recognized.

### Marketing:

We are currently advertising the District Wellness Program / Campaign and continue to advertise the Smoking Cessation Class.

### **Attachment:**

QHR Compliance Newsletter



Photo courtesy of Big Bear Elks Lodge

The Big Bear Elks Lodge presented an Elks National Foundation Grant to The Mom & Dad Project. Pictured are, from left, Elks Lodge exalted ruler Bill Lo Presti, Mom & Dad Project office manager Tina Wade, Mom & Dad Project educator Jeff Tunnell, and Elks National Foundation chairman Mike Anderson.

# Elks Lodge supports Mom & Dad Project

The Bear Valley Community Healthcare District's Mom & Dad Project has received the Elks National Foundation Grant. The national grant was awarded locally by the Big Bear Elks Lodge No. 1787.

On July 12, the Big Bear Elks Lodge exalted ruler, Bill Lo Presti, along with Elks National Foundation chairman Mike Anderson, visited four locations in Big Bear Valley that worked with the Mom & Dad Project on a variety of projects. Lo Presti and Anderson presented checks to Walgreens to purchase diapers for the Mom & Dad Project's diaper closet.

A check was also given to Mountain Transit for transportation vouchers for Mom & Dad Project qualifying clients who attend weekly parenting classes. DOVES Nest Thrift Store received a check for vouchers for specific home necessities and clothing for qualifying clients who attend weekly parenting

Additional funds were granted to The Mom & Dad Project for an emergency needs fund and case management.

"We appreciate the active involvement of our Big Bear Elks Lodge and its leadership in helping us provide these much needed resources for our clients," said Jeff Tunnell, community educator for The Mom & Dad Project. "Working with community partners and businesses is one of the things that makes Big Bear a great place to live."

The Elks National Foundation Inc. and the Big Bear Elks Lodge's generosity will impact families throughout the community during the coming year.

# **Quorum Board Minutes**

Addressing Changes in the Healthcare Landscape



# **Advancing Health Care**

July 2018

# CMS Proposes Historic Changes to Modernize Medicare and Restore the Doctor-Patient Relationship

## Overview

On July 12, CMS proposed a series of substantial policy changes to reform Medicare. The changes to the Medicare Physician Fee Schedule (PFS) and Physician Quality Payment Program (MIPS) are slated to take effect in 2019.

According to CMS, the policy amendments will allow physician practices (both independent and hospital-owned) to advance the successful Medicare program and accomplish numerous benefits such as:

- Increased revenue from the Medicare program;
- Additional access to quality care;
- Restored doctor-patient relationship by empowering clinicians to use their electronic health records (EHRs) to document clinically meaningful information; and
- · Enhanced price transparency for Medicare services.

HHS Secretary Alex Azar described how the proposal brings Americans better care at a lower cost, "The ambitious reforms proposed by CMS under Administrator Seema Verma will help deliver on two HHS priorities: creating a value-based healthcare system for the 21st century and making prescription drugs more affordable."

This issue of *Board Minutes* provides an overview of the "Payments for Services Delivered via Communication Technology and Medicare Telehealth Services." Next month, we will cover how the proposal impacts the Quality Payment Program.

# A Focus on Advancing Health through Technology

"CMS is committed to modernizing the Medicare program by leveraging technologies, such as audio/video applications or patient-facing health portals, that will help beneficiaries access high-quality services in a convenient manner," said CMS Administrator Verma.

As physician access continues to challenge both urban and non-urban regions—innovative telehealth has become a key ingredient to improving access. Through audio and video applications, health systems can increase access to care, and create more opportunities for improved overall health and wellness.

Provisions in the proposed CY 2019 PFS support access to care using telecommunications by:

- · Paying clinicians for virtual check-ins brief, non-face-to-face appointments via communications technology;
- Paying clinicians for evaluation of patient-submitted photos; and
- Expanding Medicare-covered telehealth services to include prolonged preventive services.

# Increased Revenue from Physician-Owned Practices

In the CY19 PFS proposed rule, CMS suggests that the restrictions on type of services, technology specifics and location (from CY18 PFS proposed rule) do not apply to all kinds of physicians' services. Instead, the restrictions apply to a discrete set of

(Continued)



physicians' services that ordinarily involve and are defined, coded, and paid for as if they were furnished during an in-person encounter:

- CMS is proposing to make payment available for a discrete set of services, which are routinely furnished via telehealth.
  - These will not be subject to the statutory limitation on Medicare telehealth services.
  - Under the proposal, CMS would make payment available when a physician "checks-in" with a patient via telephone or other telecommunications device.
  - Payment would also be made available when a physician remotely evaluates a patient-transmitted photo or video to assess whether a visit is needed.

# Improving Evaluation and Management (E/M) Payment and Teaching Physician Documentation Requirements

CMS is also proposing a new, single blended payment rate for office/outpatient E/M level 2 through five visits coupled with add-on codes to capture resources involved in primary care and non-procedural specialty services. The goal is to reduce and offer more flexibility in the documentation requirements for E/M codes, including:

- Allowing flexibility in how practitioners choose to document office/outpatient E/M visits;
- Allowing practitioners to use time as the factor for determining visit level;
- Expanding options regarding the documentation of history and exam;
- · Allowing practitioners to review and verify information in the medical record rather than reentering that information.

# Price Transparency

The proposal includes a Request for Information, which asks whether providers and suppliers can and should be required to inform patients about charge and payment information for health care services and out-of-pocket costs, what data elements would be most useful to promote price shopping, and what other changes are needed to empower health care consumers. Specifically, CMS is requesting the following information by September 10, 2018, on the following:

- Should providers and suppliers be required to inform patients about charge and payment information for health care services and out-of-pocket costs?
- · What data elements would be most useful to promote price shopping?
- What other changes are needed to empower health care consumers?

# **Next Steps**

Board members should ask hospital management how expanded telehealth will improve patient care and drive potential revenue to the hospital and physician-owned practices. It is also important to be certain all physicians on the medical staff obtain training on the new CMS evaluation and management coding and documentation guidelines.

# **Coming Soon**

QHR will conduct a series of one-hour webinars on these issues and changes to Hospital Medicare Outpatient PPS from Aug. 21-23. To register, please visit www.qhrlearninginstitute.com. Stay tuned next month as we provide an overview on the Quality Payment Program.

# To read more on this topic, please visit:

- Proposed Rule
- Proposed Policy, Payment, and Quality Provisions Changes to the Medicare PFS for CY 2019 Fact Sheet
- · Proposed Rule for the QPP Year 3 Fact Sheet
- MA Qualifying Payment Arrangement Incentive Demonstration Fact Sheet
- https://www.fiercehealthcare.com/practices/cms-promises-to-restore-doctor-patient-relationship-2019-proposed-rule





# Finance Report June 2018 Results

# Summary for Fiscal Year Ended June 30, 2018 (Pre-Audit)

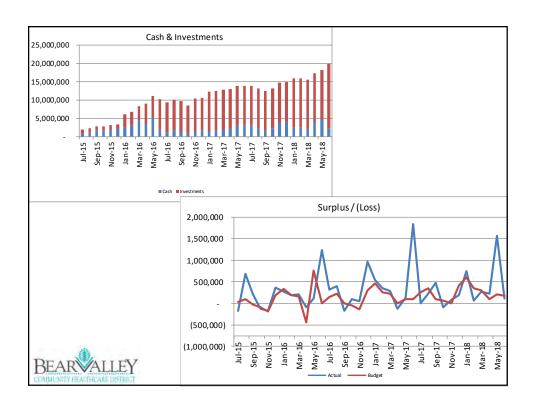
- Cash on Hand \$2,312,422 Investments - \$17,562,903
- Days Cash on hand, including investments with LAIF – 312
- Surplus of \$3,840,948 for the year is \$901,076 more than budgeted surplus of \$2,939,872
- Total Patient Revenue over Budget by 3.8% for the year
- Net Patient Revenue was 6.3% over budget.
- Total Expenses 2.6% more than budget

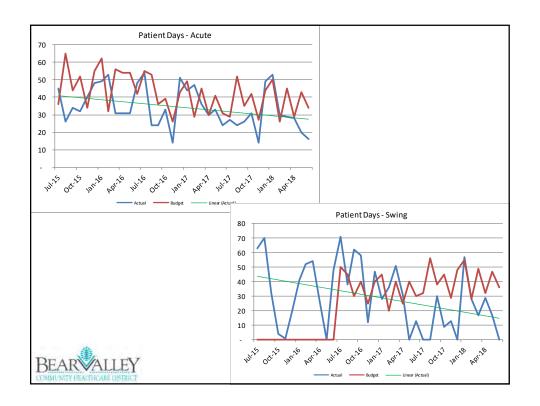


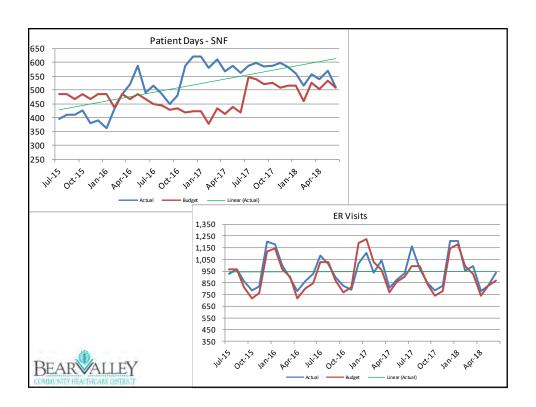
# Summary for May 2018

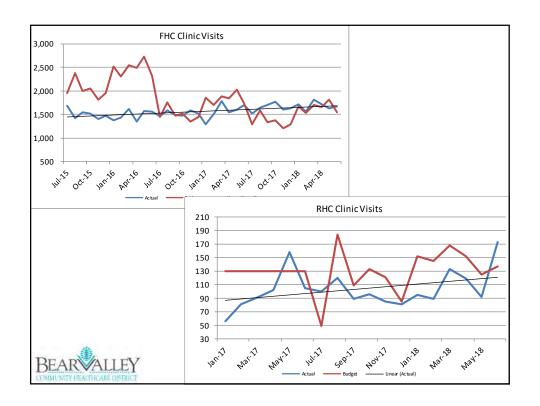
- Surplus of \$105,063 for the month compared to budgeted surplus of \$182,257
- Total Patient Revenue over Budget by 2.6% for the month
- Net Patient Revenue was 4.0% under budget.
- Total Expenses 8.1% more than budget

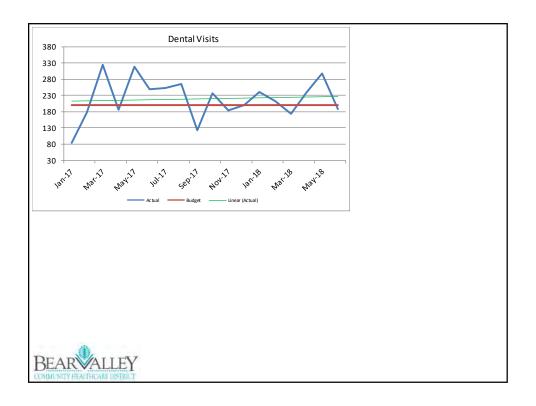


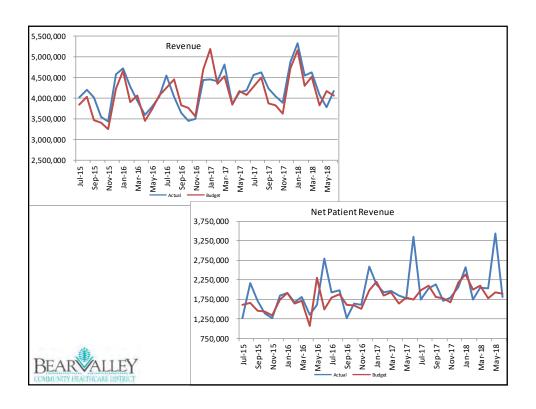


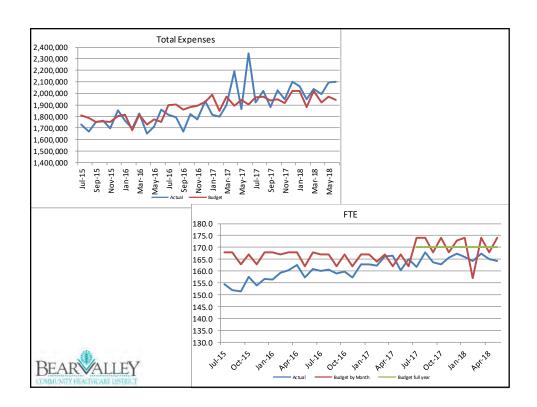


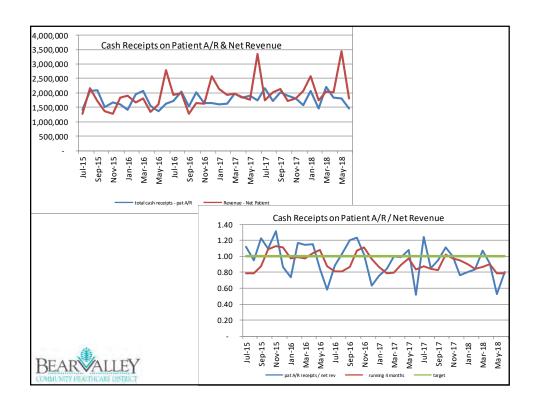














# Bear Valley Community Healthcare District Financial Statements June 30, 2018 PRE AUDIT

## Financial Highlights—Hospital STATEMENT OF OPERATIONS

		Α	В	С	D	E	F	G	н	1	J
			Current Month				Year-to-Date				
		FY 16/17	FY 17	/18	VARIA	NCE	FY 16/17	FY 17	/18	VARIAN	ICE
		Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
1	Total patient revenue	4,179,292	4,165,374	4,060,093	105,281	2.6%	49,439,446	52,737,960	50,823,696	1,914,264	3.8%
2	Total revenue deductions	1,075,182	2,354,755	2,173,686	181,069	8.3%	25,668,691	27,625,939	27,209,371	416,568	1.5%
3	% Deductions	26%	57%	54%			52%	52%	54%		
4	Net Patient Revenue	3,104,111	1,810,619	1,886,407	(75,788)	-4.0%	23,770,756	25,112,021	23,614,325	1,497,696	6.3%
5	% Net to Gross	74%	43%	46%			48%	48%	46%		
6	Other Revenue	610,732	39,664	51,586	(11,922)	-23.1%	909,802	377,956	620,992	(243,036)	-39.1%
				·							
7	Total Operating Revenue	3,714,843	1,850,283	1,937,993	(87,710)	-4.5%	24,680,557	25,489,977	24,235,317	1,254,660	5.2%
					, i						
8	Total Expenses	2,348,022	2,098,962	1,941,488	157,474	8.1%	22,625,388	24,140,171	23,524,414	615,757	2.6%
9	% Expenses	56%	50%	48%			46%	46%	46%		
10	Surplus (Loss) from Operations	1,366,821	(248,679)	(3,495)	(245,184)	-7015.3%	2,055,170	1,349,806	710,903	638,903	-89.9%
11	% Operating margin	33%	-6%	0%			4%	3%	1%		
12	Total Non-operating	210,746	353,742	185,752	167,990	90.4%	2,357,686	2,491,142	2,228,969	262,173	11.8%
	. •		,	,	,			, ,	. ,		
13	Surplus/(Loss)	1,577,567	105,063	182,257	(77,194)	42.4%	4,412,856	3,840,948	2,939,872	901,076	-30.7%
14	% Total margin	38%	3%	4%			9%	7%	6%		

### **BALANCE SHEET**

		Α	В	С	D	E
		June	June	May		
		FY 16/17	FY 17/18	FY 17/18	VARIA	NCE
					Amount	%
15	Gross Accounts Receivables	10,741,560	10,598,182	9,608,828	989,354	10.3%
16	Net Accounts Receivables	4,178,904	4,184,582	3,641,472	543,110	14.9%
17	% Net AR to Gross AR	39%	39%	38%		
18	Days Gross AR	80.3	80.2	70.8	9.4	13.3%
19	Cash Collections	1,744,521	1,453,312	1,713,631	(260,319)	-15.2%
20	Settlements/IGT Transactions	734,556	2,489,686	1,254,360	1,235,325	98.5%
21	Investments	10,870,876	17,562,903	13,497,614	4,065,289	30.1%
22	Cash on hand	2,886,705	2,312,422	4,630,363	(2,317,941)	-50.1%
23	Total Cash & Invest	13,757,581	19,875,325	18,127,977	1,747,348	9.6%
24	Days Cash & Invest	230	312	286	26	9.1%
	Total Cash and Investments	13,757,581	19,875,325			
	Increase Current Year vs. Prior Year		6,117,744			

### **Statement of Operations**

		A B C D E		F	G	н	1	J			
			Curr	Current Month				Yea			
		FY 15/16	FY 16/17		VARIA	NCE	FY 15/16	FY 16	6/17	VARIANCE	
		Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
	Gross Patient Revenue										
1	Inpatient	124,271	65,891	218,415	(152,524)	-69.8%	2,636,882	1,860,154	2,890,289	(1,030,135)	-35.6%
2	Outpatient	925,880	937,882	883,147	54,735	6.2%	10,708,930	11,813,959	10,933,603	880,356	8.1%
3	Clinic Revenue	360,215	356,461	238,545	117,916	49.4%	2,844,258	4,324,973	2,800,358	1,524,615	54.4%
4	Emergency Room	2,517,298	2,574,393	2,478,056	96,337	3.9%	30,261,927	31,706,458	31,254,882	451,576	1.4%
5	Skilled Nursing Facility	251,629	230,748	241,930	(11,182)	-4.6%	2,987,450	3,032,416	2,944,564	87,852	3.0%
6	Total patient revenue	4,179,292	4,165,374	4,060,093	105,281	2.6%	49,439,446	52,737,960	50,823,696	1,914,264	3.8%
	Revenue Deductions										
7	Contractual Allow	1,431,935	1,919,385	1,989,741	(70,356)	-3.5%	22,005,074	25,524,433	24,906,930	617,503	2.5%
8	Contractual Allow PY	(1,245,840)	(7,292)	-	(7,292)	#DIV/0!	(1,270,633)	(2,049,411)	-	(2,049,411)	#DIV/0!
9	Charity Care	19,562	16,028	8,696	7,332	84.3%	109,125	100,789	108,844	(8,055)	-7.4%
10	Administrative	3,768	519	7,620	(7,101)	-93.2%	79,497	323,093	95,374	227,719	238.8%
11	Policy Discount	20,687	10,102	6,207	3,895	62.8%	98,401	132,221	77,685	54,536	70.2%
12		3,018	2,370	3,378	(1,008)	-29.8%	43,792	68,758	42,268	26,490	62.7%
13		365,390	197,316	158,044	39,272	24.8%	1,929,649	1,958,381	1,978,270	(19,889)	-1.0%
14		266,959	216,327		216,327	#DIV/0!	2,673,786	1,567,676	-	1,567,676	#DIV/0!
15	Total revenue deductions	1,075,182	2,354,755	2,173,686	181,069	8.3%	25,668,691	27,625,939	27,209,371	416,568	1.5%
16	Net Patient Revenue	3,104,111	1,810,619	1,886,407	(75,788)	-4.0%	23,770,756	25,112,021	23,614,325	1,497,696	6.3%
	gross revenue including Prior Year	40.2%	40.2%		40.2%		40.2%	447.4%	447.4%	0.0%	
	Contractual Allowances as a percent to	39.2%	39.2%		39.2%		39.2%	437.2%	437.2%	0.0%	
	gross revenue WO PY and Other CA	39.2%	39.2%		39.2%		39.2%	437.2%	437.2%	0.0%	
17	Other Revenue	610,732	39,664	51,586	(11,922)	-23.1%	909,802	377,956	620,992	(243,036)	-39.1%
18	Total Operating Revenue	3,714,843	1,850,283	1,937,993	(87,710)	-4.5%	24,680,557	25,489,977	24,235,317	1,254,660	5.2%
	Expenses										
19	Salaries	744,108	812,848	798,929	13,919	1.7%	9,168,859	9,777,302	9,721,266	56,036	0.6%
20	Employee Benefits	428,726	359,202	340,068	19,134	5.6%	3,568,108	3,683,115	3,914,294	(231,179)	-5.9%
21	Registry	14,585	-	-	-	#DIV/0!	50,825	16,028	-	16,028	#DIV/0!
22		1,187,419	1,172,050	1,138,997	33,053	2.9%	12,787,791	13,476,444	13,635,560	(159,116)	-1.2%
23	Professional fees	146,736	160,456	154,000	6,456	4.2%	1,781,433	2,010,903	1,908,003	102,900	5.4%
24	• •	148,899 43,412	114,896 46,106	120,619 38,073	(5,723)	-4.7% 21.1%	1,469,773 533,430	1,542,791 501,340	1,499,164 527,794	43,627	2.9% -5.0%
25 26		31.780	32,653	22.567	8,033 10.086	44.7%	314,833	338.019	271,297	(26,454) 66,722	24.6%
	Purchased Services	343,541	372,603	292,610	79,993	27.3%	3,531,966	4,226,354	3,583,590	642,764	17.9%
28		25,013	25,912	25,913	(1)	0.0%	300,353	311,702	311,000	702	0.2%
29		86,209	95,064	75,000	20,064	26.8%	619,591	891,810	900,000	(8,190)	-0.9%
30		40,474	22,715	16,257	6,458	39.7%	277,463	270,709	195,524	75,185	38.5%
32	Dues and Subscriptions	7,220	5,536	5,040	496	9.8%	60,739	67,736	60,544	7,192	11.9%
33	Other Expense.	287,318	50,971	52,412	(1,441)	-2.7%	948,016	502,362	631,938	(129,576)	-20.5%
34	Total Expenses	2,348,022	2,098,962	1,941,488	157,474	8.1%	22,625,388	24,140,171	23,524,414	615,757	2.6%
35	Surplus (Loss) from Operations	1,366,821	(248,679)	(3,495)	(245,184)	-7015.3%	2,055,170	1,349,806	710,903	638,903	-89.9%
36	Non-Operating Income							T			
37	Tax Revenue	212,103	282,075	186,052	96,023	51.6%	2,301,190	2,328,592	2,232,569	96,023	4.3%
38		(37,548)	13,545	3,287	10,258	312.1%	64,440	73,878	39,400	34,478	87.5%
	Interest Income	44,275	65,611	4,163	61,448	1476.1%	88,399	181,785	50,000	131,785	263.6%
	Interest Expense	(8,084)	(7,489)	(7,750)	261	-3.4%	(96,343)	(93,113)	(93,000)	(113)	0.1%
39	Total Non-operating	210,746	353,742	185,752	167,990	90.4%	2,357,686	2,491,142	2,228,969	262,173	11.8%
40	Surplus/(Loss)	1,577,567	105,063	182,257	(77,194)	42.4%	4,412,856	3,840,948	2,939,872	901,076	-30.7%
		.,511,001	100,000	102,201	(.1,104)	T/U	.,2,000	2,0-10,0-10	_,000,012	201,010	00.1 /0

# Bear Valley Community Healthcare District Financial Statements

### **Current Year Trending Statement of Operations**

	A Statement of Operations—	-CURRENT Y				_		_						
	r	July	2 Aug	3 Sept	4 Oct	5 Nov	6 Dec	7 Jan	8 Feb	9 Mar	10 <b>Apr</b>	11 May	12 June	YTD
	Gross Patient Revenue	July	Aug	Зері	Oct	NOV	Dec	Jan	ren	IVIAI	Apr	Way	June	TID
1	Inpatient	95.787	98.514	150.843	142.719	77,702	202.529	368.022	205.698	153.559	151.595	147.294	65.891	1.860.154
2	Outpatient	868,939	1,205,964	1,063,953	1,047,978	997,359	857,747	1,077,117	960,070	973,262	967,226	856,463	937,882	11,813,959
3	Clinic	347.893	369.602	339.870	391.164	329.577	339.330	370.318	332.540	387.011	381.601	379,607	356,461	4.324.973
4	Emergency Room	2,985,253	2,686,283	2,407,574	2,203,306	2,221,976	3,207,446	3,260,191	2,822,859	2,856,980	2,338,042	2,142,156	2,574,393	31,706,458
5	Skilled Nursing Facility	261,793	265,487	262,653	261,572	265,920	259,078	248,635	228,695	248,065	243,147	256,622	230,748	3,032,416
6	Total patient revenue	4,559,665	4,625,850	4,224,893	4,046,739	3,892,534	4,866,130	5,324,283	4,549,861	4,618,877	4,081,611	3,782,142	4,165,374	52,737,960
	•			•	•	•	•			•	•			
	Revenue Deductions C/A	0.56	0.47	0.47	0.47	0.44	0.53	0.46	0.58	0.48	0.42	0.45	0.46	0.48
7	Contractual Allow	2,548,409	2,192,333	1,994,911	1,909,156	1,696,412	2,569,127	2,429,042	2,617,795	2,213,838	1,718,143	1,715,880	1,919,385	25,524,433
8	Contractual Allow PY	-	463	1,249	(1,739)	-	-	(3)	(132,608)	(81,875)	(37,694)	(1,789,912)	(7,292)	(2,049,411)
9	Charity Care	7,675	12,842		-	9,999	1,812	7,644	7,866	20,144	9,031	7,748	16,028	100,789
10	Administrative	(746)	114,668	169,442	10,431	2,860	989	1,974	10,254	5,551	7,151	-	519	323,093
11	Policy Discount	11,532	11,940	7,202	10,680	10,915	9,781	13,595	12,725	13,413	11,150	9,186	10,102	132,221
12	Employee Discount	4,711 (59.348)	9,099	3,938	4,084	4,131	4,202	6,231	10,571	10,324	5,739	3,358	2,370	68,758
13	Bad Debts	(,,	69,295	45,428	236,304	205,433	130,228	201,297	96,436	262,428	274,537	299,027	197,316	1,958,381
14	Denials Total revenue	307,852	190,797	(129,516)	169,768	162,874	89,070	93,291	177,257	122,427	67,892	99,637	216,327	1,567,676
15	deductions	2,820,085	2,601,437	2,092,654	2,338,683	2,092,624	2,805,209	2,753,071	2,800,296	2,566,251	2,055,950	344,925	2,354,755	27,625,939
		0.62	0.56	0.50	0.58	0.54	0.58	0.52	0.62	0.56	0.50	0.09	0.57	2.,020,000
16	Net Patient Revenue	1,739,580	2,024,413	2,132,239	1,708,056	1,799,911	2,060,921	2,571,212	1,749,565	2,052,626	2,025,661	3,437,217	1,810,619	25,112,021
	net / tot pat rev	38.2%	43.8%	50.5%	42.2%	46.2%	42.4%	48.3%	38.5%	44.4%	49.6%	90.9%	43.5%	47.6%
	•													
17	Other Revenue	7,162	35,245	20,043	45,312	35,896	16,992	35,338	72,429	25,710	8,758	35,409	39,664	377,956
18	Total Operating Revenue	1,746,742	2,059,658	2,152,282	1,753,369	1,835,807	2,077,912	2,606,549	1,821,994	2,078,337	2,034,419	3,472,626	1,850,283	25,489,977
	Expenses													
19	Salaries	800,028	842,003	802,366	798,066	721,536	884,119	849,855	786,053	837,872	795,713	846,844	812,848	9,777,302
20	Employee Benefits	286.721	318,469	300.954	292.526	296,309	316.321	315,442	285,480	319.765	296,588	295,338	359.202	3.683.115
21	Registry	12,718	-	-	-	-	3,310	-	-	-	-	-	-	16,028
	Salaries and Benefits	1,099,467	1,160,472	1,103,320	1,090,592	1,017,845	1,203,749	1,165,297	1,071,533	1,157,637	1,092,301	1,142,182	1,172,050	13,476,444
	Professional fees	163,392	159,614	149,941	191,107	168,319	157,808	173,264	169,956	179,324	169,338	168,382	160,456	2,010,903
24	Supplies	130,715	136,046	101,350	139,091	134,939	107,112	172,497	150,603	130,192	88,343	137,008	114,896	1,542,791
25	Utilities	42,342	42,209	43,009	40,689	40,990	39,869	41,326	42,100	39,834	40,945	41,922	46,106	501,340
	Repairs and Maintenance	22,461	19,239	35,825	30,007	38,216	28,409	32,513	27,659	23,136	23,136	24,764	32,653	338,019
	Purchased Services	302,014	346,148	281,012	373,876	381,162	395,485	308,903	329,029	342,334	406,858	386,930	372,603	4,226,354
	Insurance	25,762	25,762	25,762	25,835	25,762	27,345	25,912	25,912	25,912	25,912	25,912	25,912	311,702
	Depreciation	48,568	49,162	58,815	61,486	82,456	82,710	82,710	82,710	82,710	82,710	82,710	95,064	891,810
	Rental and Leases	46,445 5.518	39,979	35,360	23,454 5.181	15,317	16,214 5,207	14,242	14,670 1.944	10,495 12.026	16,197 7.941	15,621 5.999	22,715 5.536	270,709
	Dues and Subscriptions Other Expense.	36,147	5,427 35,255	5,725 43,441	47,022	4,523 39,491	38,655	2,710 39,225	33,265	36,519	42,000	60,371	5,536	67,736 502,362
	,		1					1	1	1				
34	Total Expenses	1,922,831	2,019,314	1,883,559	2,028,341	1,949,020	2,102,562	2,058,598	1,949,382	2,040,119	1,995,680	2,091,802	2,098,962	24,140,171
	Surplus (Loss) from	1	1	Т		Т		Т	Т	Т	Т	1	- T	
35	Operations	(176,089)	40,344	268,723	(274,973)	(113,213)	(24,650)	547,951	(127,388)	38,218	38,738	1,380,824	(248,679)	1,349,806
36	Non-Operating Income													
37	Tax Revenue	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	282,075	2,328,592
38	Other non-operating		10,247	(130)	130	20,000	-	12,000	10,000	334	-	7,753	13,545	73,878
	Interest Income	1,906	626	30,375	693	965	31,840	1,071	591	46,706	884	516	65,611	181,785
	Interest Expense	(7,717)	(7,902)	(8,002)	(7,752)	(7,763)	(8,047)	(7,830)	(7,737)	(7,681)	(7,658)	(7,536)	(7,489)	(93,113)
39	Total Non-operating	180,236	189,018	208,290	179,118	199,249	209,840	191,288	188,902	225,405	179,273	186,780	353,742	2,491,142
40	Surplus/(Loss)	4,147	229,362	477,013	(95,854)	86,036	185,190	739,240	61,513	263,623	218,011	1,567,604	105,063	3,840,948

#### 2017-18 Actual BS

BALANCE SHEET														PY BS
(PRE AUDIT)	July	/	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	June
ASSETS:														
Current Assets														
Cash and Cash Equivalents (Includes CD's)	2,920		2,290,992	1,483,027	2,187,881	3,733,239	3,884,817	2,490,708	2,353,707	2,044,038	3,771,817	4,630,363	2,312,422	2,858,405
Gross Patient Accounts Receivable Less: Reserves for Allowances & Bad Debt	10,08 <sup>4</sup> 6,48		10,529,969 6,632,089	9,819,853 5,818,066	9,516,577 5,954,203	8,883,930 5,590,675	9,771,838 6,111,008	10,764,545 6.570,468	11,059,822 6,769,875	10,231,024 6,318,873	10,281,906 6.341.615	9,607,258 5,965,786	10,597,934 6,413,352	10,749,524 6,824,943
Net Patient Accounts Receivable	3,602		3.897.880	4,001,787	3,562,374	3,293,255	3,660,830	4,194,077	4,289,947	3,912,152	3,940,291	3,641,472	4,184,582	3,924,581
Tax Revenue Receivable	2,23		2,232,569	2,232,569	2,232,569	1.944.288	970.958	827.168	800.445	768.696	32.882	-57.703	36.861	56.787
Other Receivables		3,537	55,474	750,144	324,224	-1,218,923	-1,160,647	-1,793,802	-1,735,250	-1,036,263	-973,905	-310,265	-1,872,958	107,830
Inventories	217	7,948	220,580	221,025	226,011	222,712	222,388	229,341	236,269	234,002	234,041	230,426	233,454	212,805
Prepaid Expenses	330	),877	339,259	336,340	352,943	342,699	313,470	295,570	279,301	250,181	260,592	233,374	199,838	192,216
Due From Third Party Payers		0												
Due From Affiliates/Related Organizations		0												
Other Current Assets		0												
Total Curre	nt Assets 9,399	9,195	9,036,754	9,024,893	8,886,002	8,317,270	7,891,816	6,243,062	6,224,418	6,172,806	7,265,719	8,367,666	5,094,199	7,352,624
Assets Whose Use is Limited														
Investments	10,894	1,184	10,894,184	10,921,640	10,921,640	10,921,640	10,952,520	13,452,520	13,452,520	13,497,614	13,497,614	13,497,614	17,562,903	10,894,184
Other Limited Use Assets	144	1,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited U	se Assets 11,038	3,559	11,038,559	11,066,015	11,066,015	11,066,015	11,096,895	13,596,895	13,596,895	13,641,989	13,641,989	13,641,989	17,707,278	11,038,559
Describe Disease and Equipment														
Property, Plant, and Equipment  Land and Land Improvements	E A	7.472	570.615	570.615	570.615	570,615	570,615	570.615	570.615	570.615	570.615	570.615	570.615	547.472
Building and Building Improvements	9.65	, —	9.659.388	9.686.383	9.696.603	9.699.157	9.699.804	9.737.717	9.752.367	9.752.367	9.752.367	9.757.277	9.758.672	9.657.088
Equipment	9.62		9.694.652	10.189.492	10.232.207	11.486.278	11.504.275	11.516.840	11.661.203	11.704.839	11.704.839	11.711.469	11.761.910	9.614.476
Construction In Progress	1,058		1,101,848	753,103	1,356,225	146,485	146,485	146.485	16,365	16,365	19,206	35.594	32,516	532,158
Capitalized Interest	.,	0	.,,		.,,	,	,	,	,	,	,	,	,	332,133
Gross Property, Plant, and Equipment	20,888	3,285	21,026,502	21,199,592	21,855,650	21,902,534	21,921,179	21,971,657	22,000,549	22,044,186	22,047,027	22,074,955	22,123,712	20,351,194
Less: Accumulated Depreciation	12,764	1,979	12,814,141	12,872,956	12,934,442	13,016,899	13,099,608	13,182,318	13,265,028	13,347,737	13,430,447	13,513,156	13,608,221	12,716,411
Net Property, Plant, and E	quipment 8,123	3,306	8,212,362	8,326,636	8,921,208	8,885,636	8,821,571	8,789,339	8,735,522	8,696,449	8,616,580	8,561,798	8,515,491	7,634,783
TOTAL UNRESTRICTED	ACCETC 00.50		00 007 074	00 447 544	00 070 004	00 000 000	07.040.000	00.000.007	00 550 000	00 544 040	00 504 007	20 574 452	24 240 022	00 005 000
TOTAL UNRESTRICTEL	ASSETS 28,56	000,1	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	30,571,453	31,316,969	26,025,966
Restricted Assets		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	ASSETS 28,56	1,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	30,571,453	31,316,969	26,025,966

#### 2017-18 Actual BS

BALANCE SHEET	_													PY BS
(PRE AUDIT)	J	luly	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	June
LIABILITIES:														
0 444 1 11111														
Current Liabilities Accounts Pavable	4.9	382,046	985.885	702 FE0	1 424 604	076 176	056 100	042 576	072 762	711 100	833.399	046 007	075 504	1 055 021
Notes and Loans Payable	1,	382,046	985,885	792,559	1,431,694	876,176	956,102	943,576	973,763	711,190	833,399	816,207	875,521	1,055,031
Accrued Payroll		775,117	846,351	884,291	975,116	996,448	697,894	802,910	817,096	891,764	940,378	992,846	708,877	684,799
Patient Refunds Payable		770,117	010,001	001,201	070,110	000,110	001,004	002,010	017,000	001,704	040,010	002,010	100,011	004,700
Due to Third Party Payers (Settlements)		709,007	709,470	695,980	695,980	718,109	552,505	718,109	718,109	775,164	1,577,778	1,200,581	2,290,023	649,537
Advances From Third Party Payers														
Current Portion of Def Rev - Txs,	2,0	046,518	1,860,471	1,674,424	1,488,377	1,302,330	1,151,283	965,236	779,189	593,142	407,095	221,048	35,000	-4
Current Portion - LT Debt		35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	34,996	35,000
Current Portion of AB915	,			00.705	00.40=	40.400		45.050	00.040		00.070	4= 000		<b>-</b>
Other Current Liabilities (Accrued Interest & Accrued Oth	er)	15,243	23,005	30,785	38,407	46,169	7,621	15,350	23,049	30,731	38,373	45,903	7,621	7,621
Total Current Liabilities	4.6	962,931	4,460,183	4,113,039	4,664,574	3,974,233	3,400,405	3,480,181	3,346,206	3,036,991	3,832,023	3,311,585	3,952,039	2,431,984
Total Current Liabilities	4,	902,931	4,400,103	4,113,039	4,004,574	3,914,233	3,400,403	3,400,101	3,340,200	3,030,991	3,632,023	3,311,363	3,932,039	2,431,904
Long Term Debt														
USDA Loan	2.9	930.000	2.930.000	2.930.000	2.930.000	2.930.000	2.895.000	2.895.000	2.895.000	2.895.000	2.895.000	2.895.000	2.895.000	2,965,000
Leases Payable Less: Current Portion Of Long Term Debt		0	0	0	0	0	0	0	0	0	0	0	0	0
		35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total Long Term Debt (Net of Current)		930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,930,000
Other Learn Terror Liebildies														
Other Long Term Liabilities  Deferred Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
Other		0	0	0	0	0	U	U	U	U	U	U	U	U
Other		U	· ·	· ·	· ·	O .								
Total Other Long Te	rm Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	LIABILITIES 7,8	892,931	7,390,183	7,043,039	7,594,574	6,904,233	6,260,405	6,340,181	6,206,206	5,896,991	6,692,023	6,171,585	6,812,039	5,361,984
Fund Balance														
Unrestricted Fund Balance	20,6	663,982	20,663,983	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	16,251,126
Temporarily Restricted Fund Balance		0	0				0							
Equity Transfer from FRHG Net Revenue/(Expenses)		0 4,147	233,510	710,523	614,668	700,705	885,895	1,625,134	1.686.648	1,950,271	2,168,282	3.735.886	3,840,948	4,412,856
Net Neverlue/(Expenses)		4,147	200,010	7 10,525	0 14,000	700,703	000,090	1,023,134	1,000,040	1,930,271	2,100,202	3,733,000	3,040,940	4,412,000
TOTAL FUN	D BALANCE 20.6	668.129	20.897.491	21.374.505	21.278.650	21,364,687	21,549,877	22,289,116	22,350,630	22,614,253	22.832.264	24.399.868	24.504.930	20.663.982
101/121011		, 3	-,,	, , . 30	, ,	.,,-0.	.,,	_,,	-,,-50	-,,_50	-,,	.,,	.,,-30	-,,
TOTAL LIABILITIES & FUND BALANCE		561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	30,571,453	31,316,969	26,025,966

## **Units of Service**

For the period ending: June 30, 2018

30 365

30												
	Current Month					<b>Bear Valley Community Hospital</b>						
	n-18	Jun-17	Actual -E	•	ActAct.			Jun-18		Actual -E	_	ActAct.
Actual	Budget	Actual	Variance	Var %	Var %		Actual	Budget	Actual	Variance	Var %	Var %
16	34	24	(18)	-52.3%	-33.3%	Med Surg Patient Days	347	456	414	(109)	-23.9%	-16.2%
-	36	13	(36)	0.0%	-100.0%	Swing Patient Days	200	495	447	(295)	-59.6%	-55.3%
512	509	563	3	0.6%	-9.1%	SNF Patient Days	6,797	6,205	6,667	592	9.5%	1.9%
528	579	600	(51)	-8.8%	-12.0%	Total Patient Days	7,344	7,156	7,528	188	2.6%	-2.4%
7	15	12	(8)	-53.3%	-41.7%	Acute Admissions	143	180	160	(37)	-20.6%	-10.6%
7	15	9	(8)	-53.3%	-22.2%	Acute Discharges	146	180	164	(34)	-18.9%	-11.0%
2.3	-	2.7	2.3	#DIV/0!	-14.3%	Acute Average Length of Stay	2.4	-	2.5	2.4	#DIV/0!	-5.9%
0.5	1.1	0.8	(0.6)	-52.3%	-33.3%	Acute Average Daily Census	1.0	1	1.1	(0.3)	-23.9%	-16.2%
17.1	18.2	19.2	(1.1)	-6.1%	-11.1%	SNF/Swing Avg Daily Census	19.2	18	19.5	0.8	4.4%	-1.6%
17.6	19.3	20.0	(1.7)	-8.8%	-12.0%	Total Avg. Daily Census	20.1	20	20.6	0.5	2.6%	-2.4%
39%	43%	44%	-4%	-8.8%	-12.0%	% Occupancy	45%	44%	46%	1%	2.6%	-2.4%
7	15	11	(8)	-53.3%	-36.4%	Emergency Room Admitted	130	180	142	(50)	-27.8%	-8.5%
931	1,000	917	(69)	-6.9%	1.5%	Emergency Room Discharged	11,355	12,000	11,181	(645)	-5.4%	1.6%
938	869	928	69	7.9%	1.1%	Emergency Room Total	11,485	11,000	11,323	485	4.4%	1.4%
31	29	31	2	7.9%	1.1%	ER visits per calendar day	31	30	31	1	4.4%	1.4%
100%	100%	92%	100%	100.0%	9.1%	% Admits from ER	91%	100%	89%	74%	74.0%	2.4%
-	-	-	-	0.0%	#DIV/0!	Surgical Procedures I/P	2	-	-	2	0.0%	#DIV/0!
14	19	15	(5)	-26.3%	-6.7%	Surgical Procedures O/P	137	240	100	(103)	-42.9%	37.0%
14	19	15	(5)	-26.3%	-6.7%	TOTAL Procedures	139	240	100	(101)	-42.1%	39.0%
576	285	1,151	291	102.1%	-50.0%	Surgical Minutes Total	9,289	3,475	6,705	5,814	167.3%	38.5%
						-						

## **Units of Service**

For the period ending: June 30, 2018

	Current Month B					Bear Valley Community Hospital	Year-To-Date							
Jun	ı-18	Jun-17	Actual -	Budget	ActAct.		Jun	-18	Jun-17	Actual -	ActAct.			
Actual	Budget	Actual	Variance	Var %	Var %		Actual	Budget	Actual	Variance	Var %	Var %		
6,800	5,884	5,636	916	15.6%	20.7%	Lab Procedures	74,732	70,041	71,870	4,691	6.7%	4.0%		
817	669	776	148	22.1%	5.3%	X-Ray Procedures	9,641	9,000	9,959	641	7.1%	-3.2%		
229	234	237	(5)	-2.1%	-3.4%	C.T. Scan Procedures	3,137	3,076	3,081	61	2.0%	1.8%		
231	195	218	36	18.5%	6.0%	Ultrasound Procedures	2,823	2,409	2,488	414	17.2%	13.5%		
46	50	-	(4)	0.0%	#DIV/0!	Mammography Procedures	743	600	414	143	23.8%	79.5%		
264	283	296	(19)	-6.7%	-10.8%	EKG Procedures	3,654	3,097	3,344	557	18.0%	9.3%		
97	84	90	13	15.5%	7.8%	Respiratory Procedures	1,645	1,244	1,501	401	32.2%	9.6%		
1,267	1,727	1,170	(460)	-26.6%	8.3%	Physical Therapy Procedures	16,487	19,200	18,914	(2,713)	-14.1%	-12.8%		
1,845	1,685	1,801	160	9.5%	2.4%	Primary Care Clinic Visits	21,209	19,560	19,111	1,649	8.4%	11.0%		
188	200	249	(12)	-6.0%	-24.5%	Specialty Clinic Visits	2,611	2,400	1,339	211	8.8%	95.0%		
2,033	1,885	2,050	148	7.9%	-0.8%	Clinic	23,820	21,960	20,450	1,860	8.5%	16.5%		
78	73	79	6	7.9%	-0.8%	Clinic visits per work day	131	121	112	10	8.5%	16.5%		
20.6%	20.00%	19.80%	0.60%	3.00%	4.04%	% Medicare Revenue	19.43%	20.00%	20.15%	-0.57%	-2.87%	-3.60%		
37.20%	37.00%	42.00%	0.20%	0.54%	-11.43%	% Medi-Cal Revenue	39.32%	37.00%	39.21%	2.32%	6.26%	0.28%		
37.20%	38.00%	33.90%	-0.80%	-2.11%	9.73%	% Insurance Revenue	36.46%	38.00%	36.17%	-1.54%	-4.06%	0.81%		
5.00%	5.00%	4.30%	0.00%	0.00%	16.28%	% Self-Pay Revenue	4.80%	5.00%	4.48%	-0.20%	-4.00%	7.26%		
141.9	151.00	143.9	(9.1)	-6.1%	-1.4%	Productive FTE's	144.74	152.17	143.7	(7.4)	-4.9%	0.8%		
160.6	168.00	110.0	(7.4)	-4.4%	46.1%	Total FTE's	164.75	170.50	157.3	(5.7)	-3.4%	4.8%		



#### **CFO REPORT for**

## **August 2018 Finance and Board meetings**

## 340B - Pharmacy Program

We are continuing to work on 340B program. We have had calls with two companies – CompleteRx and Comprehensive Pharmacy Services – we have talked to them about options moving forward including working with them on evaluating opportunities and impacts of a 340B program in today's environment. We will review each companies approach.

We have a call scheduled for the week of August 6<sup>th</sup> with Wellpartner, a CVS Health Company; to learn more about them and what they can offer. We are back in touch with CPSI / Evident and Walgreens about new information about interfacing their two systems.

## **QHR Productivity Benchmarking Assessment**

QHR consultant is preparing data request for us to provide FY 2018 (July 1, 2017 through June 30, 2018) payroll and statistical data for their review. We will also have departments provide information about their individual Departments in preparation for individual meetings with consultants. We are still looking to on-site work toward then end of August.

## Clinic RVU (Relative Value Unit) work with QHR

Staff has had a couple of calls with QHR consultants to consider workload / productivity measurement for Clinic providers. They have provided RVU benchmark data for the West and we are looking at benchmarks bases on visits per hour.

### IT 2018 Assessment – Management Action Plan - August Update

March 2018 this action plan was presented to the Board with 44 specific action items. Since that time, 8 items were determined to be "On-Going" because they highlighted best practices that do not have easily definable end dates. Of the remaining 36 items, 44% (16 items) have been completed since the plan was introduced, and barring any unavoidable obstacles, I think it is reasonable to expect the plan to be completed in its first year!

That being said, FY 2019 is shaping up to be as busy a project year, as FY 2017 and FY 2018 were for IT. And it is not an overstatement to say that those years were banner project years by any measureable standard.

The most notable IT projects on the horizon are the CPSI hardware refresh, T-System cloud migration, BVCHD Intranet, Single Sign-On, HIPAA Risk Assessment, File/Folder encryption, and the premier patent care project – Mindray.

Mindray will be a difficult project because there are many planned critical projects that were in place prior to Mindray being purchased and the deployment schedule will be very compressed. Mindray must also interface into CPSI and T-System and as a result those interfaces must be built and tested on these products that have their own subject being executed prior to going live. Needless to say, with all of these "dominoes" lined up, that must fall at the correct time and in the proper order, I have opted to defer some of the MAP action items to late 2018 or early 2019 to ensure the Mindray project will get our full attention.

Thank you,

Jon Booth

IT Director - Bear Valley Community Healthcare District

# Bear Valley Community Hospital

## IT 2018 Assessment

Item#	Task	Priority	Assigned To	Target Start Date
1.1	Identify primary and secondary application support person for each user area, either in IT or operations	High	Jon Booth	3/27/2018
4.1	Inventory IT skills and skill needs	High	Jon Booth	3/29/2018
6.1	Create a procedure for restoring from backups, including testing of the procedure	High	Jon Booth	3/27/2018
7.1	Implement a help desk ticketing system	High	Jon Booth	2/26/2018
8.1	Formal risk assessment update <del>each yea</del> r <b>quarterly</b>	High	Jon Booth	3/15/2018
8.3	Outside risk assessment every three years	High	Jon Booth	2/12/2018
8.4	User vulnerability scan every quarter	High	Jon Booth	4/9/2018

8.5	Network penetration test at least every year and upon significant changes	High	Jon Booth	2/12/2018
8.6	Network security audit each month	High	Jon Booth	2/12/2018
9.1	Provide transparency by reporting on IT project priorities, schedules, status, completions, and successes	High	Jon Booth	2/16/2016
10.1	Implement quarterly IT Director rounding on department leaders	High	Jon Booth	6/1/2018
11.1	Utilize CPSI optimization visits	High	Jon Booth	2/28/2018
13.1	Complete the fiber project to the RHC	High	Jon Booth	10/15/2016
1.2	Support team should meet monthly to review reports and set priorities for improvements.  Meeting should be agenda driven, with minutes distributed to organizational leadership	Medium	Jon Booth	4/18/2018

2.1	Identify vendor or locally staff part-time help for desktop deployments, password reset calls, backfill during critical projects, and assist with demand surges	Medium	Jon Booth	3/29/2018
4.2	Implement formal development plans for each team member. Use training methods best suited to each learning (classroom, hands-on, technical mentor, self-study)	Medium	Jon Booth	4/18/2018
5.2	Clinical systems support	Medium	Jon Booth	4/16/2018
5.3	Focus internal IT staff on critical projects	Medium	Jon Booth	1/13/2016
8.7	Add un-supported legacy system to high-risk list	Medium	Jon Booth	1/15/2018
1 XX 1	Encrypt all laptops, reference by policy, track on annual risk assessment	Medium	Jon Booth	8/1/2018
8.9	Obtain BAA from Arcserve	Medium	Jon Booth	3/27/2018
9.3	Add a remote access strategy to the project list	Medium	Jon Booth	3/27/2018

11.2	Challenge vendors to provide process improvement support at no cost	Medium	Jon Booth	3/27/2018
11.3	Continue to negotiate skillfully and thoroughly with IT vendors	Medium	Jon Booth	1/15/2016
12.1	Add badge lock to the equipment / storage closet in nursing area, and both phone rooms.	Medium	Jon Booth / Michael Mursick	4/3/2018
13.2	Eliminate technical barriers to use of the AT&T Fiber circuit purchased in a previous year	Medium	Jon Booth	1/15/2018
13.3	Complete the migration to the Nutanix system	Medium	Jon Booth	9/12/2017
13.4	Provide cooling and temperature control for all data closets	Medium	Jon Booth / Michael Mursick	8/12/2018

14.1	Create a project to identify and document IT risks and include likelihood of occurrence, severity of impact, and cost of remediation	Medium	Jon Booth	8/15/2018
3.2	Post on-call schedules on intranet	Low	Jon Booth	4/18/2018
5.4	Level three network engineering and design	Low	Jon Booth	3/9/2016
7.2	Establish a Help Desk number	Low	Jon Booth	2/5/2018
9.4	Post project schedules and statuses on Bear Valley intranet	Low	Jon Booth	3/27/2018
13.5	Replace fire suppression in the main server room  – remove overhead water sprinkler	Low	Jon Booth / Michael Mursick	2/28/2018
13.6	Perform and document regular UPS tests	Low	Jon Booth	9/15/2018

13.9	Remove old, unused equipment from the data closets	Low	Jon Booth	4/30/2018
			Ongo	ing Items wi
5.1	Facility staff training using primary information systems	High	Jon Booth	3/29/2018
6.2	Process improvement using information systems	High	Jon Booth	7/9/2018
8.2	Risk assessment updates when equipment and systems are added	High	Jon Booth	3/15/2018
9.2	Engage IT early in purchase decisions when implementation will require IT work or ongoing support	High	Jon Booth	2/16/2016
3.1	Use documentation, team meetings, and cross- training to improve ability to resolve issues when first call is not to the "expert" or when the "expert" is unavailable	Medium	Jon Booth	5/1/2018
10.2	Repeat IT satisfaction survey every six months and use focus groups (when required) to target top areas for improvement.	Medium	Jon Booth	8/15/2018

14.2	Report Risks and the mitigation strategy for each one to senior leadership each quarter. When risk mitigation costs are too high, implement and audit compliance with policies to close the gaps	Medium	Jon Booth	6/30/2018
9.5	When requestors value faster project completion allow the requestor to request access to IT-managed funding for outside assistance. Outside assistance must be selected, approved, and managed by IT. Budget must include capacity to audit work done by outside providers to ensure compliance with IT Policies & Procedures, particularly for security controls	Low	Jon Booth	3/27/2018

# **Management Action Plan**

8/6/2018

			8/0/2018
Target Completion Date	Status	Estimated Financial Impact	Comments
5/25/2018	Completed	None	We currently have an internal process. Will document and share with managers so that they can brief their staff. 6.4.2018 - Began briefing managers during 1:1 quarterly meetings.
6/29/2018	Completed	To Be Determined (TBD)	Working with staff to identify skill gaps and document.  6.4.2018 - Completed skills inventory with staff, addressing needs with external training and level 3 augmentation.
8/30/2018		None	Backup systems are being replaced in new budget year, and a new backup process and restoration procedure will be documented and a test schedule implemented.  8.6.2018 - New backup system purchased, awaiting delivery and deployment. Staff training prior to "go live" and a backup testing schedule to be developed using vendor and ITIL best practices once system is live.
4/30/2018	Completed	\$ 3,380	Product purchased and it currently in setup and testing. Projected go-live is Monday 4/30. This product included a service catalog and Help Desk portal. 6.4.2018 - Samanage IT Service Desk software went live at BVCHD 4.16.2018. The software has been widely accepted and user feedback has been very positive.
3/15/2018	Completed	None	IT management updates the latest risk assessment monthly and briefs the Compliance Committee.  3.15.2018 - This has been performed quarterly since June 2016.
10/30/2018		\$ 29,000	Vendor selected, capital budget request submitted, awaiting FY2019 approval, with implementation to be scheduled mid-July. 8.6.2018 - Vendor Statement of Work has been signed, awaiting a November scheduling date. This project was pushed back to November to expedite the Mindray project.
9/3/2018		None	Local vulnerability scan process and schedule will be developed. 8.6.2018 - Monitoring software purchased, vendor working with staff to deploy and train.  Projected to start 9.3.2018

10/15/2018		\$ 1,400	Vendor selected, capital budget request submitted, awaiting FY2019 approval, with implementation to be performed early July. 8.6.2018 - Vendor Statement of Work has been signed, awaiting a November scheduling date and every year to follow. This project was pushed back to November expedite the Mindray project.
9/3/2018		\$ 3,660	Software vendor selected, capital request submitted, awaiting approval and FY2019 budget. <b>8.6.2018</b> - Monitoring software purchased, vendor working with staff to deploy and train. Projected to start 9.3.2018
6/4/2018	Completed	None	2.16.2018 - IT began briefis the management team on active, planned, status and completed projects in the monthly managers meeting. 6.4.2018 - Board and senior management quarterly updates scheduled. Successes will be published via the intranet portal and during Board and managers meetings.
8/6/2018	Completed	None	Quarterly department manager 1:1 meetings be scheduled and begin June 1st. 8.6.2018 - The first round of meetings has been completed.
Fall 2018 or Spring 2019		TBD	3.15.2018 - CPSI has been approached and we are awaiting a schedule from them. The district's only obligation will be travel for Evident staff involved.  8.6.2016 - This project is on hold, and will be scheduled once the Mindray project is completed.
8/30/2018		None	3.15.2018 - This circuit delivery is over 15 months late, and each delivery date given has not been honored. The vendor insists that local utilities have not permitted them to complete the project, but assure us those issues have been resolved. 8.6.2018 - After 22 months, the vendor completed the circuit install 7.27.2018, IT has installed and tested curcuit support hardware, awaiting RHC downtime to cutover go live with the new circuit.
5/7/2018	Completed	None	The IT team collaborates on a daily basis or as tasks dictate. We intend to resume scheduled agenda driven meetings in April. 5.17.2018 - IT meets daily at 9:30 AM for a team huddle, daily as needs dictate, and bi-weekly to review projects and tasks.

Monitoring		TBD	We are reviewing options, and a recommendation will be made. 8.6.2018 - At this time, IT is able to effectively manage workloads at the current staff levels. If needs change, this item will be revisited.
9/28/2018		TBD	Upon completion of the latest skill gap analysis, training plans will be developed to address identified needs and training will be scheduled and completed as budgetary funds permit. 8.6.2018 - Skill gaps are actively being addressed and work should be completed on development plans late September.
4/16/2018	Completed	None	Clinical systems at BVCHD are vendor supported and mainatined - the local IT teams is limited to supporting connectivity, basic function, user authentication, rights management, and basic functional training. We research where we can provide additional value and work with clinical vendors to provide additional service and value.
2/26/2018	Completed	None	For the purpose of this action plan this item has been completed. Since Jan 2016, we have always focused on using internal staff on critical projects and will continue to do so.
7/27/2018	Completed	None	Sphere and Digital One are on the BVCHD high-risk list. As an immediate safety measure they have been isolated from external contact. 8/6/2018 - Digital One was fully updated in July and is no longer a high-risk system. Sphere has been isolated from external connections and will only be unsed internally for archival purposes.
Fall 2018 or Spring 2019		None	Product purchased, project scheduled and awaiting start date. 8/6/2018 - This project will cause significant disruption within the facility and it should not be attempted during the T-System migration, CPSI upgrade, Mindray interface/deployment projects, or during the busy season.
4/3/2018	Completed	None	3.31.2018 - Arcserve has been terminated as a vendor and is no longer providing services to the district effective 4/3/2018
11/30/2018		None	New project list is being developed and will incorporate all approved FY2019 projects that involve IT.

8/6/2018	Completed	TBD	Going forward, all vendors will be challenged to offer no, or low cost, process improvement prior to any agreement renewal. 8.6.2018 - This has been an IT practice since December 2015 and will continue to be our practice.
6/6/2018	Completed	None	6.6.2018 - IT takes pride in negotiating skillfully with vendors and will continue to strive for the best possible benefit to the district for the least possible cost.
Spring 2019		TBD	Badge readers are currently being installed in both phone rooms. The equipment room in the nursing area will be funded and completed as part of a larger FY2019 maintenance door project. 8.6.2018 -Badge readers have been installed in all IT controlled closets. The equipment racks in the nursing area that houses the Mindray system has also been secured. A badge reader should be installed on the nursing closet early 2019.
2/28/2018	Completed	None	This circuit has been deactivated. This type of circuit is not suitable for our network design and did not serve our needs. It will be replaced by a more robust circuit in the 3rd quarter of 2018. 8.6.2016 - The "robust circuit" mentioned in the prior statement was deployed 7/27/2018.
8/30/2018		TBD	Nutanix migration begain in the 3rd quarter of 2017. There are many detailed technical obstacles that must be overcome to facilitate this move. A plan has been developed to address these obstacles and we are actively working that plan with the assistance of Nutanix and level 3 technical team contracted for this purpose.  8.6.2018 - The most difficult migrations in this plan have been completed. The final step in the plan is a migration of all user file shares to the Nutanix platform. This migration has the potential to be quite disruptive so it is being performed carefully and methodically in August to minimize disruption.
Fall 2018		TBD	Maintenance has completed installation of secondary cooling in the main server room and is currently tuning that system. Additional environmental monitoring equipment is being evaluated for purchase. 8.6.2018 - Vendors have been identified and solutions are being evaluated at this time.

12/15/2018		None	This task will commence 8/15.
Late 2018		None	On-call schedules are actively being distributed via email and posted on bulletin boards. Intranet solutions are being reviewed with a recommendation to follow.  8.6.2018 - In July intranet software was purchased so that BVCHD would have its first fully functional intranet and information portal. Due to the higher priority Mindray project events, the project must wait until resources are freed up to support its deployment late 2018.
6/1/2018	Completed	TBD	Since March 2016 the district has engaged level 3 engineers as needed. Vendors have been tested and used when their expertise match our needs and objectives. This will be an on-going process as needs dictate and requirements change.
4/16/2018	Completed	None	4.16.2018 - The help desk number (8291) was designated when the new phone system was installed Oct 2017. It was announced to managers in the Feb, March and April Managers Meeting. Further announcements were emailed, added in mailboxes and posted. Users are actively being encouraged to use the new number.
Late 2018		None	The FY2019 project list will be published on the IT Help Desk Portal and briefed in the Managers Meeting.  8.6.2018 - In July intranet software was purchased so that BVCHD would have its first fully functional intranet and information portal. Due to the higher priority Mindray project events, the project must wait until resources are freed up to support its deployment late 2018.
TBD	Hold	TBD	Maintenance has secured a good quote for a fire suppression system in the main server room. Additionally they are working with the local fire marshall and OSHPD to get approval to remove the sprinkler head prior to purchasing a fire suppression system.
10/15/2018		None	IT will develop a UPS test plan and implement it in the 4th quarter of 2018

8/30/2018	No	All equipment will be removed and salvaged or stored a required. 8.6.2018 - All d IT equipment not in service was removed from the communications closet in May, July all the stored IT equipment was removed from the upstairs phone room. Radiology will need to move the remaining cabinet of their hardware and IT will detail the area prior to returning the area to Maintenance for their use.			
th No End Date					
On-going	ТВ	IT currently conducts monthly training sessions and demand driven training on core systems. The current training offerings will be evaluated and potentially redesigned to address needs identified by department managers. Some commercially offered training may be required for basic computer operation. 7.17.2018 - KnowBe4 email borne threat management and staff training software deployed.			
On-going	ТВ	In coordination with staff and management, areas that can be improved with technology will be addressed.  8.6.2018 - This will be an on-going effort and is process that should never end.			
On-going	ТВ	3.15.2018 - This is understood as part of a comprehensive risk management program. When a major local change occurs which would trigger a local assessment, it will be performed and documented.			
On-going	No	IT and senior management has briefed the managers on the need to engage IT when scoping projects, there has been significant progress in the past two years, but more work needs to be done. In the May managers meeting will propose a project worksheet that will require all support teams to sign off before projects are started an completed.			
On-going	No	Current on-call process is being reviewed, and will be adjusted to address this action item where possible.			
On-going	ТВ	IT will develop a new survey and survey plan that will outline a process to address focus points if they occur.  8.6.2016 - IT User Survey is being developed and will b deployed AFTER the Mindray project has been completed.			

On-going	None	The Risk Mnagement plan is reported by IT in the quarterly complance meeting.
On-going	TBD	This item will be offered on the new project worksheet that will be presented Managers Meeting for approval.